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Administrative and budgetary aspects of the financing of the Unite`d Nations peacekeeping operations

Financing of the United Nations Integrated Mission in Timor-Leste

Budget performance for the period from 1 July 2010 to 30 June 2011 and proposed budget for the period from 1 July 2012 to 30 June 2013 of the United Nations Integrated Mission in Timor-Leste

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2010/11	$206,311,600
Expenditure for 2010/11	$190,145,100
Unencumbered balance for 2010/11	$16,166,500
Appropriation for 2011/12	$196,077,500
Projected expenditure for 2011/12[a]	$194,011,600
Estimated unencumbered balance for 2011/12	$2,065,900
Proposal submitted by the Secretary-General for 2012/13	$160,218,200
Recommendation of the Advisory Committee for 2012/13	$160,218,200

[a] Estimates as at 31 January 2012 (see annex I).

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I. Introduction

1. **The Advisory Committee on Administrative and Budgetary Questions recommends approval of the Secretary-General's proposals for the United Nations Integrated Mission in Timor-Leste (UNMIT) for the period from 1 July 2012 to 30 June 2013 and has made recommendations and observations, where appropriate, in the paragraphs below.**

2. The report of the Advisory Committee on cross-cutting issues related to United Nations peacekeeping operations is contained in document A/66/718. In the present report, the Committee deals with resources and other items that relate specifically to UNMIT.

3. In considering the Secretary-General's proposals for UNMIT for the period from 1 July 2012 to 30 June 2013 (A/66/711), the Advisory Committee has taken into account the information on the implementation of the Board of Auditors' recommendations contained in document A/65/5 (Vol. II), provided in section V of the budget proposal, and the recommendations of the Board in its report for the period through 30 June 2011 (A/66/5 (Vol. II), chap. II) (see para. 53 below). In addition, the report of the Advisory Committee on the Board's report on the United Nations peacekeeping operations for the period to 30 June 2011 is contained in document A/66/719. **The Advisory Committee continues to stress the value of the findings of the Board of Auditors and reiterates the need for the implementation of its recommendations within the time frames specified by the Secretary-General.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNMIT are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2010 to 30 June 2011

5. By its resolution 64/276, the General Assembly appropriated a total amount of $206,311,600 gross ($196,837,000 net) for the maintenance of the Mission for the period from 1 July 2010 to 30 June 2011. Expenditures for the period totalled $190,145,100 gross ($180,676,100 net). The resulting unencumbered balance of $16,166,500 gross ($16,160,900 net) represents, in gross terms, 7.8 per cent of the appropriation. An analysis of variances is provided in section IV of the performance report on the budget of the Mission for the period from 1 July 2010 to 30 June 2011 (A/66/609).

6. The underexpenditures are attributable mainly to:

(a) United Nations police ($4,192,700, or 9.1 per cent): a higher than budgeted average actual vacancy rate of 11.3 per cent compared to 5 per cent budgeted; lower requirements for travel on emplacement, rotation and repatriation for police officers resulting from the use of chartered flights; and the fact that no death and disability claims were submitted;

(b) Formed police units ($1,791,400, or 10.7 per cent): lower than budgeted actual charter costs resulting from combining flights with United Nations police

personnel; reduced requirements for death and disability compensation; and non-utilization of the provision for freight of equipment;

(c) International staff ($1,959,100, or 2.9 per cent): lower than budgeted expenditure under common staff costs, as budgetary provisions were made in the absence of historical data after the introduction of harmonized conditions of service pursuant to General Assembly resolution 63/250, offset in part by unplanned expenditure for mission subsistence allowance paid to staff on temporary duty assignment from other missions;

(d) Facilities and infrastructure ($2,015,800, or 14.7 per cent): lower actual contractual costs for maintenance services attributable to competitive bidding for services as well as reduced requirements for contractual waste removal resulting from the Mission using its own incinerators; unutilized balance under security services owing to costs for residential security services being recorded elsewhere and security guards provided for fewer than planned police stations; lower than budgeted costs for stationery and office supplies owing to stricter internal control measures;

(e) Communications ($1,835,300, or 29.6 per cent): non-replacement of equipment and drawdown of the existing spare part holdings in the context of the preparation for the transition and the underutilization of the provisions for communication support services owing to fewer contractual personnel availing themselves of their leave entitlements.

7. The decreased requirements were offset in part by overexpenditures mainly under national staff ($956,900, or 9.9 per cent) attributable to the implementation of a revised national staff salary scale in effect from 1 February 2010, which had not been reflected in the budget for the period owing to the timing of its preparation, an increase in grade levels for 198 national General Service staff and 47 National Officers resulting from a classification exercise, as well as higher actual expenditure under common staff costs owing to increased contributions to the Pension Fund, medical insurance payments and dependency allowances.

8. The comments of the Advisory Committee on the information presented in the performance report for the period (A/66/609) regarding individual objects of expenditure can be found, where relevant, in the discussion of the budget for UNMIT for the period from 1 July 2012 to 30 June 2013 (A/66/711) in the paragraphs below.

III. Financial position and information on performance for the current period

9. The Advisory Committee was informed that, as at 7 March 2012, a total of $1,070,967,000 had been assessed on Member States in respect of UNMIT since its inception. It was further indicated that the amount included $68.7 million due 30 days from the issuance of assessment letters on 29 February 2012. Payments received as at 7 March 2012 amounted to $970,460,000, leaving an outstanding balance of $100,507,000. **The Advisory Committee recalls the repeated calls by the General Assembly for all Member States to pay their assessed contributions in full, on time and without conditions (see General Assembly resolution 65/293[1]).**

[1] See also resolutions 64/243, 62/236, 56/253 and 54/249.

10. The Advisory Committee was also informed that as at 5 March 2012, the cash available to the Mission amounted to $13.3 million, taking into account $17 million borrowed from closed peacekeeping missions. Taking into account a three-month operating reserve of $45,877,000 and excluding the reimbursement for police-contributing countries, the Mission's cash shortfall as at the same date amounted to $32,577,000. It was also indicated that the amount of cash available did not allow for the reimbursement of police-contributing countries at the next payment scheduled for March 2012. **The Advisory Committee notes with concern the use of cash borrowed from the accounts of closed peacekeeping missions to maintain the Mission's liquidity. The Committee further notes that the available cash balance does not cover the three-month operating cash reserve required to ensure the timely reimbursement of police-contributing countries. The Committee expects that this development will be carefully monitored.**

11. The Advisory Committee was informed that as at 31 December 2011, an estimated amount of $2,317,000 was owed for police cost reimbursements. It was indicated that payments had been made for claims received up to August 2011 and that the amount owed represented the claims received after August 2011. It was further indicated that in addition to the amount outstanding for 2011, claims for January 2012 in the amount of $553,206 were due for payment. The Committee was further informed that as at 31 December 2011, an estimated amount of $2,645,000, representing claims received after June 2011, was owed for contingent-owned equipment. It was also indicated that as at that date, four death and disability claims amounting to $126,000 had been settled since the inception of the Mission and two pending claims for an estimated amount of $70,000 were still in process. **The Advisory Committee expects that every effort will be made to settle the outstanding claims for police costs and for contingent-owned equipment as soon as possible.**

12. The Advisory Committee was informed that as at 31 January 2012, the staffing incumbency for UNMIT for the period from 1 July 2011 to 30 June 2012 was as follows:

	Authorized[a]	*Encumbered*	*Vacancy rate (percentage)*
Military observers	34	33	3
United Nations police	790	696	12
Formed police units	490	489	7
Posts			
International staff	421	379	10
National staff	1 011	877	13
General temporary assistance			
International staff	7	5	29
National staff	10	4	60
United Nations Volunteers	279	259	7

[a] Represents the highest authorized strength for the period.

13. Upon enquiry, the Advisory Committee was informed that the average vacancy rate for the seven-month period up to 31 January 2012 was 24.4 per cent for National Officers, 11.7 per cent for national General Service staff, 24.3 per cent for United Nations Volunteers, 49 per cent for temporary international staff and 82.9 per cent for temporary national staff. It was indicated that recruitment efforts for key positions had generally not been successful because the anticipated liquidation of the Mission made it a less attractive employment prospect. In addition, there was a high turnover of national staff taking up employment elsewhere in the local labour market and studying abroad. **While recognizing the challenge of attracting new staff owing to the anticipated closing of UNMIT, the Advisory Committee urges the Mission to intensify its efforts to fill the vacant posts.**

14. Upon enquiry, the Advisory Committee was provided with the list of seven international posts that had been vacant for a period of one year or longer as at 31 January 2012. The list comprised one post (P-5) of Senior Police Officer, one post (P-4) of Electoral Officer and five posts (P-3) of Budget Officer, Finance Officer, Chief Information Technology Officer, Environmental Affairs Officer and Board of Inquiry Officer. The Committee was informed, upon enquiry, that the P-5, P-4 and one P-3 post of Environmental Affairs Officer had been filled, while two posts (P-3) of Finance Officer and Chief Information Technology Officer had been proposed for abolition. It was indicated that the function of the Budget Officer (P-3) post was covered by temporary assignment owing to recruitment challenges and that an offer of appointment had been sent to the candidate selected for the post (P-3) of Board of Inquiry Officer.

15. The Advisory Committee was provided with a table showing current and projected expenditures for the period, with reasons for variances (see annex I). Expenditure for the period as at 31 January 2011 amounted to $76,144,500. At the end of the current financial period, estimated total expenditure would amount to $194,011,600, against the apportionment of $196,077,500, leaving a projected unencumbered balance of $2,065,900, or 1.06 per cent.

IV. Proposed budget for the period from 1 July 2012 to 30 June 2013

A. Mandate and planned results

16. The Security Council, in its resolution 1704 (2006), established UNMIT as a follow-on mission to the United Nations Office in Timor-Leste. By its resolution 2037 (2012), the Council decided to extend the mandate of UNMIT until 31 December 2012 at the current authorized levels and endorsed the plan of its phased drawdown in accordance with the wishes of the Government, conditions on the ground, and following the successful completion of the 2012 electoral process. During the budget period, the Mission will work towards the security and stability of Timor-Leste and assist in promoting political processes, strengthening the rule of law, enhancing a culture of democratic governance and fostering socio-economic development. The implementation of the Mission's mandate is expected to be influenced by the preparation and conduct of the parliamentary election cycle in 2012, including the formation of the next Government as well as the implementation of the Joint Transition Plan in 2012 and the transfer of UNMIT responsibilities to other partners

and stakeholders. The full implementation of the Plan and the subsequent departure of the Mission is based on the following four assumptions: stability prevails in Timor-Leste; successful elections take place; a new Government is formed; and the opposition has space to operate in line with democratic principles.

Joint Transition Plan

17. In paragraph 10 of the proposed budget, the Secretary-General indicates that given the continuing security and stability in Timor-Leste, in September 2010 the Government and UNMIT began to plan for the Mission's eventual departure. The path to this departure is set out in the Joint Transition Plan, which was signed by the President, the Prime Minister and the Special Representative of the Secretary-General on 19 September 2011. The Plan details 129 UNMIT activities under 7 focus areas (police and security, governance, mission support, justice and human rights, development, training and economic impact) that will either be completed or handed over to other stakeholders in the course of 2012, taking into consideration developments on the ground. **The Advisory Committee notes from the monitoring report of the Joint Transition Plan that as at January 2012, the average rate of completion of planned activities was 49 per cent, while 71 per cent of the activities were proceeding as planned.**

18. Upon enquiry, the Advisory Committee was informed that the Government of Timor-Leste and UNMIT had designed the Joint Transition Plan to ensure the long-term sustainability of the objectives of peace and security as the Mission progressively transferred responsibilities to the Government. The Plan identified those outputs from UNMIT results-based-budgeting frameworks which related to the capacity-building of national partners and further enhanced the frameworks by setting out how such activities would either be completed or handed over to national, bilateral or multilateral partners should the Mission close.

19. Citing, for example, the provision of technical and legal advice and mentoring to the Anti-Corruption Commission, which was one of the outputs contained in the proposed 2012/13 budget (see A/66/711, para. 46), it was indicated that the Joint Transition Plan would retain the activity and identify handover arrangements to be implemented in the event of the Mission's closing. It was further indicated that national authorities and the United Nations Development Programme (UNDP) would be responsible for further strengthening of the Commission when UNMIT support responsibilities ended. In the case of provision of advice to the electoral management bodies regarding the management, administration and oversight of national elections, it was indicated that if UNMIT support ended during the course of 2012, resource requirements would subsequently be reduced significantly and, consequently, the Plan identified handover arrangements, which would enable national authorities to address residual needs with the support of United Nations agencies, funds and programmes.

20. **The Advisory Committee takes note of the Mission's commitment to the implementation of the Joint Transition Plan, in partnership with the highest level of the Government of Timor-Leste, and encourages the Mission to keep its implementation on track as long as the four assumptions continue to hold. The Committee is of the view that the successful implementation of the Plan will ensure a smooth handover of the Mission's activities as well as the long-term sustainability of the objectives of peace, security and resilient national institutions.**

National Staff Capacity-Building Project

21. The Advisory Committee notes that one of the main focus areas of the Joint Transition Plan is training for Timorese staff through the National Staff Capacity-Building Project. Upon enquiry, the Advisory Committee was informed that the Security Council, in its resolutions 1912 (2010), 1969 (2011) and 2037 (2012), had called upon UNMIT to develop institutional and human resources capacity so that national actors might promote development policies, ensuring sustainable peace and stability, and that the National Staff Capacity-Building Project was an important element in fulfilling that commitment.

22. It was also indicated that the Security Council, in its resolution 2037 (2012), had called upon UNMIT to support the Government of Timor-Leste in, inter alia, the promotion of sustainable livelihood and economic growth policies, hence the Mission's investment in human resources. The National Staff Capacity-Building Project therefore had the immediate benefit of improving the professional abilities and performance of some 800 national staff while they were still in the Mission's employment as well as building the national skilled labour market for international and national institutions that would sustain the peacebuilding efforts after UNMIT closed. In that connection, the Advisory Committee notes the information contained in paragraph 88 of the Secretary-General's report showing a number of 5,151 national staff trained in 2010/11, 2,568 planned for 2011/12, and 1,664 proposed for 2012/13. It was explained, upon enquiry, that each training module completed had been counted separately; hence, the information reflected the totality of the internal and external training modules undertaken by the 800 national staff members.

23. The Advisory Committee was also informed, upon enquiry, that a training needs analysis conducted in the 2009/10 period had contributed to defining the aims and scope of the National Staff Capacity-Building Project. The scope had further been refined to address the Mission's transition and drawdown considerations, with a view to mitigating the effect of its eventual withdrawal on employment and the service industry in the country. It was indicated that the programme aimed at imparting transferable skills necessary for individual career development, with the four main occupational groups identified being administrative staff, technical staff, language assistants and National Officers. The opportunities offered under the programme included, but were not limited to, language training, in particular English, Tetum and Portuguese; communication skills; office and management skills; computer skills; mentoring and coaching; professional development (e.g. translation and interpretation); technical and vocational skills; and cross-training job exchanges. During its consideration of the Secretary-General's report, the Committee was informed that 88 per cent of the national staff had thus far benefited from the programme.

24. Upon further enquiry, the Advisory Committee was informed that the majority of staff that had been trained through the programme were still with the Mission and were expected to stay until the end of its mandate. It would therefore be possible to fully evaluate the success of the programme only after the departure of the Mission. However, the Committee was informed that, through a Best Practices Officer, the Mission was keeping track of the progress made by national staff who had already separated from the Mission. It was indicated that a total of 33 national staff had separated from the Mission during the current financial period. The majority had left

to pursue further studies, mainly in Indonesia, while a smaller number had joined the public sector or another international organization.

25. **The Advisory Committee commends the efforts made by UNMIT to enhance the skills of its national staff through training in order to increase their employment prospects after the end of the Mission's mandate.**

B. Resource requirements

26. The proposed budget for UNMIT for the period 1 July 2012 to 30 June 2013 amounts to $160,218,200, representing a decrease of $35,859,300 or 18.3 per cent, in gross terms compared to the apportionment of $196,077,500 for 2011/12. The Advisory Committee notes that, if the proposed budget is compared to the projected expenditure of $194,011,600 for 2011/12 (see para. 15 above), the proposed resource reduction for 2012/13 would amount to $33,793,400. The proposed reduction mainly reflects the reduced provisions for United Nations police ($4,363,300), international staff ($11,437,400), United Nations Volunteers ($3,056,400) and air transportation ($11,238,600), offset in part by increased requirements for general temporary assistance ($285,800). The financial resource requirements and an analysis of the variances are provided in sections II and III, respectively, of the Secretary-General's report on the proposed budget (A/66/711).

27. The proposed budget provides for the planned deployment of 34 military observers, 1,280 United Nations police personnel (790 police officers and 490 formed police personnel), 371 international staff (including 19 general temporary assistance positions), 939 national staff (including 12 general temporary assistance positions) and 270 United Nations Volunteers.

1. Military and police personnel

Category	*Approved 2011/12*[a]	*Proposed 2012/13*	*Variance*
Military observers	34	34	—
United Nations police	790	790	—
Formed police unit personnel	490	490	—

[a] Represents the highest authorized strength for the period.

28. The proposed budget provides for the maintenance of the authorized strength of the United Nations police, formed police units and military components at 2011/12 levels with the estimated requirements for military and police personnel for the period from 1 July 2012 to 30 June 2013 amounting to $50,003,900, a decrease of $5,845,500, or 10.5 per cent, compared to the appropriation for 2011/12. The proposed decrease in requirements is attributable mainly to the application of delayed deployment factors of 2 per cent, 10 per cent and 3 per cent, respectively, for military observers, United Nations police and formed police units in the 2012/13 period compared to the assumption of full deployment in the 2011/12 period; savings owing to the use of charter flights for police and formed police; as well as reduced provision for death and disability compensation for military observers, United Nations police and formed police units based on historical expenditure (A/66/711, paras. 91-93).

2. Civilian personnel

Category	*Approved 2011/12*	*Proposed 2012/13*	*Variance*
International staff	421	352	(69)
National staff	1 011	927	(84)
United Nations Volunteers	279	270	(9)
Temporary positions	17	31	14
Total	**1 728**	**1 580**	**(148)**

29. The proposed budget reflects a decrease of 69 international staff, 84 national staff and 9 United Nations Volunteers, offset in part by a net increase of 14 general temporary assistance positions (12 international and 2 national General Service positions). The decreases in staffing are primarily in the Office of the Police Commissioner under the security sector, reflecting a shift in focus from active law enforcement activities to capacity-building with the handover of policing responsibilities to the national police of Timor-Leste (see A/66/711, para. 44); and in the support component reflecting the implementation of the Joint Transition Plan and the Mission's strategy to achieve overall cost savings (see A/66/711, para. 61).

30. The estimated requirements for civilian personnel for the period from 1 July 2012 to 30 June 2013 amount to $75,462,000, a decrease of $14,800,100, or 16.4 per cent, compared to the appropriation for 2011/12. The reduced requirements are attributable mainly to:

(a) International staff ($11,437,400): the abolition of 55 international posts and conversion of 14 international posts to general temporary assistance positions for the duration of the electoral cycle to be completed by December 2012;

(b) United Nations Volunteers ($3,056,400): the abolition of 9 United Nations Volunteer positions and an additional 131 positions by 31 December 2012 after the completion of the electoral process in December 2012.

31. The reduced requirements are offset in part by increased requirements under general temporary assistance attributable to the establishment of 16 positions (1 D-1, 7 P-4, 3 P-3, 3 Field Service, 2 national General Service) for up to six months to support the election process (see para. 33 below).

Recommendations on posts

32. As part of the Mission's review of its staffing complement in anticipation of the successful completion of the elections and in line with the Joint Transition Plan, the Secretary-General is proposing a net overall decrease of 148 posts and positions (16 new posts/positions and 164 abolitions) for UNMIT, as outlined in the paragraphs below. A detailed summary of the proposed staffing changes is contained in annex II to the present report.

New positions

33. The Secretary-General is proposing the establishment of the following 16 positions to be funded under general temporary assistance:

(a) In the Communications and Public Information Office (component 1, political process): one position (D-1), to be converted from the post of Chief of Section, to serve in the same capacity until the completion of the elections. The position is to be abolished effective 31 October 2012 (A/66/711, para. 34);

(b) In the Office of the Police Commissioner (component 2, security sector and rule of law): two positions (P-4) to be converted from one post (P-4) of Administrative Officer and one post (P-4) of Civil Affairs Officer in line with the shift in the Mission's focus from active law enforcement to capacity-building. The positions are to be abolished effective 31 October 2012 (A/66/711, para. 44);

(c) In the Office of the Police Commissioner (component 2, security sector and rule of law): two positions (P-3) to be converted from one post (P-3) of Police Adviser-Community Policing Specialist and one post (P-3) of Planning Officer for the reasons indicated above and to be similarly abolished effective 31 October (A/66/711, para. 44);

(d) In the Office of the Chief Military Liaison Officer (component 2, security sector and rule of law): two national General Service positions to be converted from two national General Service posts of Language Assistant in light of the reduced role of the Military Liaison Group. The positions will be abolished effective 31 October 2012 (A/66/711, para. 45);

(e) In the Democratic Governance Support Office (component 3, governance, development and humanitarian coordination): five positions (P-4) to be converted from five posts (P-4) of Governance Officer in line with the plan to retain a limited number of electoral staff to oversee the handover processes to the national authorities. The positions will be abolished effective 31 December 2012 (A/66/711, paras. 51-52);

(f) In the Democratic Governance Support Office (component 3, governance, development and humanitarian coordination): one position (P-3) to be converted from one post (P-3) of Governance Officer for the reasons indicated above. The position will be abolished on 31 December 2012 (A/66/711, paras. 51-52);

(g) In the Democratic Governance Support Office (component 3, governance, development and humanitarian coordination): three Field Service positions to be converted from two Field Service posts of Information Technology Assistant and one Field Service post of Logistics Assistant for the reasons indicated above. The positions will be abolished on 31 December 2012 (A/66/711, paras. 51-52).

Abolitions

34. The Secretary-General proposes the abolition of the following 164 posts and positions:

(a) Under executive direction and management: four posts and one position (A/66/711, paras. 23-28);

(b) Under component 1, political process: nine posts (A/66/711, paras. 32-36);

(c) Under component 2, security sector and rule of law: 42 posts (A/66/711, paras. 42-45);

(d) Under component 3, governance, development and humanitarian coordination: 15 posts and 1 position (A/66/711, paras. 52-57);

(e) Under component 4, mission support: 83 posts and 9 positions (A/66/711, paras. 64-81).

35. It is indicated in paragraph 9 of the Secretary-General's report that an additional 158 posts and positions would be abolished effective 31 December 2012. Upon enquiry, the Advisory Committee was informed that the abolitions would comprise 27 general temporary assistance positions (1 D-1, 7 P-4, 6 P-3, 3 Field Service, 5 National Officers and 5 national General Service) and 131 United Nations Volunteers positions. The planned abolitions would include the new temporary positions referred to in paragraph 33 above.

36. **The Advisory Committee has no objection to the staffing changes proposed by the Secretary-General.**

3. Operational costs

(United States dollars)

Apportionment 2011/12	*Proposed 2012/13*	*Variance*
49 966 000	34 752 300	(15 213 700)

37. The estimated operational costs for the period from 1 July 2012 to 30 June 2013 amount to $34,752,300, representing a decrease of $15,213,700, or 30.4 per cent, over the apportionment for the 2011/12 period. The decrease reflects the overall reduction in the scale of activities as the Joint Transition Plan progresses, the expected completion of the electoral cycle in December 2012 and the Mission's strategy to achieve overall cost savings in the budget period.

Official travel

38. The estimated requirements for official travel for the 2012/13 period amount to $2,812,100, representing a decrease of $1,991,600, or 41.5 per cent below the appropriation for the preceding period. According to the Secretary-General, the reduced requirements are due mainly to a decrease in official travel for political consultations and logistical support coordination, as well as the Mission's efforts to contain official travel. It is further indicated that the reduced requirements are also due to more emphasis on in-house training courses for the National Staff Capacity-Building Project, resulting in reduced requirements for travel outside the Mission area for training. **The Advisory Committee commends the continued efforts by the Mission to limit travel costs.**

Ratios for vehicles and information technology equipment

39. The Advisory Committee notes from the supplementary information to the proposed budget that the ratios of personnel to vehicles and to information technology equipment exceeded the standard ratios. Upon enquiry, the Committee was informed that, with regard to vehicles, the variance in ratios for military observers, United Nations police and civilian staff were attributable to the reduction in the overall strength of the Mission without a corresponding reduction in the size of the vehicle fleet. It was also indicated that the average age of light passenger vehicles was 4.66 years which, measured by the standard useful life of 6 years for severe conditions, was considered old by the Mission. With regard to information

technology equipment, the Committee notes the ratio of 1.7:1 for national staff compared to the standard of 2.5:1 and 1.6:1 for United Nations police compared to the standard of 2.0:1. Upon enquiry, the Committee was informed that while the ideal solution would have been to transfer the surplus assets to other missions, the isolated geographical location of UNMIT and the age of its vehicle fleet rendered that approach uneconomical. **The Advisory Committee recognizes that the isolated geographical location of UNMIT is an impediment to the transfer of surplus vehicles and information technology equipment to other missions. The Committee also recognizes the fact that the majority of the peacekeeping missions require left-hand drive vehicles, which limits the transferability of UNMIT right-hand drive vehicles. Nonetheless, the Committee encourages the Mission to consider other measures to reduce the surplus assets, including disposal by sale on the local market, in order to limit their operating costs.**

Air transportation

40. The estimated requirements for air transportation for the 2012/13 period amount to $9,213,800, representing a decrease of $11,238,600, or 55 per cent, compared to the appropriation for the preceding period, mainly because no provision has been made for fixed-wing aircraft and two of the four rotary-wing aircraft have been budgeted for only 62 days to cover the elections. The Advisory Committee was informed that the reduced provisions would translate to no requirements for landing fees and ground handling charges or rental of fixed-wing aircraft, as well as reduced requirements for petrol, oil and lubricants.

41. Upon enquiry, the Advisory Committee was informed that during the 2011/12 budget period, UNMIT had budgeted for four rotary-wing aircraft (3 utility and 1 specialized search and rescue/aeromedical evacuation) and two fixed-wing aircraft, only one of which was actually deployed. The Committee was provided with information on the average monthly usage of the Mission's air assets for the 2010/11 period showing that only 15 per cent of the fixed-wing aircraft flights and 41.4 per cent of the rotary-wing aircraft flights had been utilized at full capacity. It was indicated that all special flights, which included medical or casualty evacuation, search and rescue, human remains evacuation, United Nations police deployment, Government support, reconnaissance flights, VIP transportation, special cargo airlift, rapid reaction police forces deployment and natural disaster relief and humanitarian operations, were considered full aircraft capacity utilization. It was also indicated that the reduction of payload was related to passenger traffic fluctuation depending on seasonal operational activities and rest and recuperation cycles. In order to maintain consistency and regularity of official passenger transportation and mail and pouch services, however, the flights were maintained.

Other matters

Efficiency gains and measures to mitigate the environmental impact of the Mission

42. Information with regard to efficiency gains is provided in section II.C of the proposed budget and includes such initiatives as the introduction of standardized forms in the traffic accident investigation process, which has translated into reduced man-hours and less paper; the reduction in generator fuel consumption by connecting UNMIT headquarters to the national power grid; the use of online forms for administrative procedures through the Field Support Suite application; and the

reduction in fuel requirements through the implementation of a "no vehicle day" policy throughout the Mission area every weekend, resulting in savings of 1,800 litres of fuel each day.

43. Upon enquiry, the Advisory Committee was informed that in addition to the efficiency measures, the Mission had reduced the average monthly number of vehicle accidents by 30 per cent from 54 per month in the 2010/11 period to 38 per month in the 2011/12 period. The Committee was further informed that the measures taken had included mandatory basic defensive driving training for all new arrivals; the establishment of a Road Safety Advisory Committee tasked to review accidents; generation of monthly speeding reports through the CarLog system and strict sanctions against offenders; regular road safety campaigns promoting safe and economic use of Mission vehicles; enforcement of the zero tolerance policy against driving under the influence of alcohol; reduction of the speed limit in built-up areas from 45 km/hour to 35 km/hour; and monthly broadcasts on defensive driving techniques to all staff. **The Advisory Committee welcomes the efforts made to promote road safety and reduce vehicle accidents.**

44. Upon request, the Advisory Committee was provided with an update of the measures implemented to mitigate the environmental impact of the Mission since the establishment of the UNMIT Environmental Committee in 2008. The measures included the withdrawal of plastic bags from the Mission's Post-Exchange commissary facility and cafeteria; the use of air conditioners at the economical temperature level of 26 degrees Celsius and their compulsory shut-down after working hours; paper saving, resulting from double-sided printing; the collection, by a non-governmental organization, of bottles and tin cans for recycling, and shredded paper for the fabrication of cooking briquettes; the procurement of recycled paper for printing and the issuance of 15 per cent less than requested stock as a "greening premium"; as well as the Mission's participation in beach cleaning and World Environment Day activities.

45. The Advisory Committee was further informed that with the recruitment of an Environmental Officer, the focus would turn to developing and implementing an environmental management plan for the anticipated drawdown of the Mission. The plan would entail:

(a) Developing targets and benchmarks to sustain ongoing activities, ensuring that environmental hazards and risks are addressed in the handover of land and property, and withdrawal from sites occupied by UNMIT;

(b) Identifying environmental protocols for, inter alia, wastewater, solid and hazardous waste, air pollution and natural resources, and developing related standard operating procedures for mission liquidation;

(c) Reinforcing ongoing efforts and promoting increased awareness of Department of Peacekeeping Operations-Department of Field Support environmental policy and guidelines, using briefings, training and broadcasts;

(d) Developing a geographic information system-based waste management information system for monitoring and decision-making on environmental protection;

(e) Engaging in cross-cutting dialogue with the United Nations, the international community and host country partners in formulating the environmental management plan.

46. **The Advisory Committee welcomes the efficiency measures and those implemented to mitigate the environmental impact of the Mission. The Committee is of the view that such measures could be replicated in other missions, where suitable.**

Pre-liquidation working group

47. The Advisory Committee recalls that the Mission had set up a pre-liquidation working group in 2010 to review the methodology and time frame for the disposal of assets. During its consideration of the proposed budget, the Committee was informed that the group was working on the review of asset holdings, keeping inventories at optimal levels and preparing asset disposal plans in anticipation of the decision of the Security Council to terminate the mandate of the Mission. The recommendations of the pre-liquidation working group had been deliberated by the Mission's Budget Steering Committee, under the overall guidance of the Head of Mission, with membership consisting of all the Mission's component heads. **Recalling the recommendation of the Board of Auditors for all active missions to develop liquidation plans soon after their inception (A/66/5 (Vol. II), para. 181), the Advisory Committee notes the proactive stance taken by UNMIT in formulating a liquidation strategy and encourages the Mission to draw lessons from the experience of other recently liquidated missions in the implementation of its strategy.**

Impact of the global field support strategy

48. Upon enquiry regarding the impact, if any, of the global field support strategy on the operations of the Mission, the Advisory Committee was informed that UNMIT had benefited from the standardization and improvement in processes that had been generated by the Regional Service Centre, in particular with regard to the creation of online platforms for the implementation of routine processes. These developments had resulted in efficiency gains that were reflected in the proposed budget. The Committee was further informed that UNMIT would continue to rely on the Global Service Centre in Brindisi, Italy, to provide the specialized support required for the eventual liquidation of the Mission. It was indicated, however, that because of its relative geographical isolation and the time zone difference with other peacekeeping missions and United Nations Headquarters, UNMIT had not fully benefited from aspects of the global field support strategy such as the pooling resources of several missions in proximity to form a Regional Service Centre.

Synergies with other United Nations entities

49. Upon enquiry regarding the efficiencies derived from UNMIT being an integrated mission, the Advisory Committee was informed that the integration of the resources and approaches of the Mission and the United Nations country team in Timor-Leste streamlined the work of the United Nations in areas of common interest, leading to reduced operational costs and ensuring complementary approaches to programme delivery based on comparative strengths. The Committee was also informed that the United Nations Electoral Support Team, established in 2008, incorporated the staff and programmes of the UNDP project "Support to the Timorese Electoral Cycle" and the Democratic Governance Support Unit — Electoral Advisory Team of UNMIT.

50. The Advisory Committee was also informed that UNMIT and UNDP personnel worked under a unified structure to provide support in the legal, voter education, information technology, management, graphic design, logistics and electoral planning areas. The leveraging of institutional expertise allowed cost savings for each organization and the reduction of duplication. It was also indicated that national authorities had gradually enhanced their capacity to assume a leadership role owing to the "Delivering as One" initiative, enabling the Mission to reduce support during the 2012 elections and deploy only 130 United Nations Volunteers as compared to 430 in the 2007 elections.

51. The Advisory Committee was informed that the Gender Affairs Unit performed a coordination and advisory role, chairing the United Nations Gender Thematic Working Group and promoting the mainstreaming of gender in the day-to-day work of the Mission. It was explained that UNMIT would progressively scale down its activities as UN-Women further realized its coordination mandate. It was also explained that the Gender Affairs Unit worked in close cooperation with the United Nations country team in several programmatic areas that fell directly under the UNMIT mandate, such as implementation of laws against domestic violence and support for women's political participation. Weekly meetings between the Deputy Special Representative of the Secretary-General/Resident Coordinator, the Senior Gender Adviser and the UN-Women country representatives helped to maintain coordination and unity of purpose.

52. **The Advisory Committee welcomes the enhanced collaboration between UNMIT and other United Nations agencies, especially as the Mission prepares for its eventual withdrawal from Timor-Leste in accordance with Security Council resolution 2037 (2012).**

Board of Auditors

53. The actions taken to implement the recommendations of the Board of Auditors relating to the financial period 2009/10 (A/65/5 (Vol. II)) are contained in section V.C of the proposed budget. The Advisory Committee notes that UNMIT has accepted and is implementing the recommendations of the Board. It is indicated that the Mission had requested the intervention of the Procurement Division in the Department of Management of the Secretariat in its negotiations with a multinational fuel vendor which had refused to comply with the United Nations general conditions of contract. Upon enquiry, the Advisory Committee was informed that the case pertained to the sole multinational aviation fuel vendor based in Australia and that the Procurement Division had encountered similar problems with the same vendor in other geographical regions. The Committee was further informed that while the Mission's efforts to negotiate with the vendor were ongoing, the services of the vendor would be not be required after the proposed elimination of fixed-wing aircraft with effect from 1 July 2012. **While noting the specific challenges encountered by UNMIT in this case, the Advisory Committee stresses the importance of compliance with United Nations general conditions of contract in order to minimize the financial risk to the Organization.**

IV. Conclusion

54. The actions to be taken by the General Assembly in connection with the financing of UNMIT for the period from 1 July 2010 to 30 June 2011 are set out in paragraph 54 of the budget performance report (A/66/609). **The Advisory Committee recommends that the unencumbered balance of $16,166,500, as well as other income/adjustments in the amount of $3,368,400, be credited to Member States.**

55. The actions to be taken by the General Assembly in connection with the financing of UNMIT for the period from 1 July 2012 to 30 June 2013 are set out in paragraph 105 of the proposed budget (A/66/711). **Subject to its comments and observations in the paragraphs above, the Advisory Committee recommends that the General Assembly appropriate an amount of $160,218,200 for the maintenance of the Mission for the 12-month period from 1 July 2012 to 30 June 2013, and that the amount of $160,218,200 be assessed at a monthly rate of $13,351,517 should the Security Council decide to extend the mandate of the Mission beyond 31 December 2012.**

Documentation

- Budget performance of the United Nations Integrated Mission in Timor-Leste for the period from 1 July 2010 to 30 June 2011 (A/66/609)
- Budget for the United Nations Integrated Mission in Timor-Leste for the period from 1 July 2012 to 30 June 2013 (A/66/711)
- Report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2011 (A/66/5 (Vol. II), chap. II)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance report for the period from 1 July 2009 to 30 June 2010 and proposed budget for the period from 1 July 2011 to 30 June 2012 of the United Nations Integrated Mission in Timor-Leste (A/65/743/Add.6)
- General Assembly resolution 65/297 on the financing of the United Nations Integrated Mission in Timor-Leste
- Report of the Secretary-General on the United Nations Integrated Mission in Timor-Leste (for the period from 20 September 2011 to 8 January 2012) (S/2012/43)
- Security Council resolution 2037 (2012)

Annex I

Current and projected expenditure of the United Nations Integrated Mission in Timor-Leste for the period from 1 July 2011 to 30 June 2012

(In thousands of United States dollars)

	1 July 2011 to 31 January 2012			*Projected 1 February to 30 June 2012*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance percentage*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Military and police personnel								
Military observers	1 670.3	1 034.7	635.6	644.9	1 679.6	(9.3)	(0.6)	The projected additional requirements are attributable to increased cost of commercial tickets for rotation
Military contingents	—	—	—	—	—	—	—	
United Nations police	38 499.6	19 210.1	19 289.5	15 797.2	35 007.3	3 492.3	9.1	The projected unutilized balance is due to the actual average 12 per cent vacancy rate from 1 July 2011 to 31 January 2012 to date
Formed police	15 679.5	8 166.9	7 512.6	6 934.0	15 100.9	578.6	3.7	The projected unutilized balance is due to anticipated reduced requirements derived from combining formed police units and individual police officers on chartered flights
Subtotal	**55 849.4**	**28 411.7**	**27 437.7**	**23 376.1**	**51 787.8**	**4 061.6**	**7.3**	
Civilian personnel								
International staff	68 262.6	44 513.1	23 749.5	29 427.4	73 940.5	(5 677.9)	(8.3)	The projected additional requirements are primarily attributable to the average actual vacancy rate of 8 per cent (1 July 2011 to 31 January 2012) compared to 15 per cent applied in the budget, as well as to increased common staff costs related to additional staff entitlements pursuant to the harmonization of conditions of service

	1 July 2011 to 31 January 2012			*Projected 1 February to 30 June 2012*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance percentage*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
National staff	9 899.0	6 594.6	3 304.4	4 642.2	11 236.8	(1 337.8)	(13.5)	The projected increased requirements are due to the implementation of a revised salary scale for national staff effective 1 February 2011 (promulgated in October 2011)
United Nations Volunteers	10 262.4	7 571.2	2 691.2	4 517.5	12 088.7	(1 826.3)	(17.8)	The projected increased requirements are due mainly to costs pertaining to 68 additional temporary United Nations Volunteers deployed in support of elections, as well as to the increased volunteer living allowance
General temporary assistance	1 838.1	404.9	1 433.2	323.9	728.8	1 109.3	60.4	The projected unutilized balance is due mainly to the anticipated 57 per cent vacancy rate compared to 15 per cent and 11 per cent budgeted for international and national staff, respectively, as well as to the lower actual average salary costs
Subtotal	**90 262.1**	**59 083.8**	**31 178.3**	**38 911.1**	**97 994.9**	**(7 732.8)**	**(8.6)**	
Operational costs								
Government-provided personnel	—	—	—	—	—	—	—	
Civilian electoral observers	—	—	—	—	—	—	—	
Consultants	383.3	45.1	338.2	330.0	375.1	8.2	2.1	
Official travel	4 803.7	1 312.9	3 490.8	2 163.0	3 475.9	1 327.8	27.6	The projected unutilized balance is attributable to strict monitoring of travel to restrict it to mandated tasks, mandatory training and capacity-building for national staff. Further travel reductions are attributable to unavailability of staff engaged in the preparatory work for elections and other operational exigencies

	1 July 2011 to 31 January 2012			Projected 1 February to 30 June 2012				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance percentage*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Facilities and infrastructure	11 402.8	7 783.1	3 619.7	3 224.7	11 007.8	395.0	3.5	The projected unutilized balance is due to use of cleaning services turnkey contract, thereby reducing requirement for cleaning materials, as well as to availability of stationery supplies in stock
Ground transportation	2 178.0	1 517.4	660.6	1 104.7	2 622.1	(444.1)	(20.4)	The projected increased requirements are due to increased fuel costs from $0.73 per litre to $1.01 per litre as well as additional requirements for spare parts to prepare vehicles for the elections
Air transportation	20 452.4	12 485.9	7 966.5	3 351.5	15 837.4	4 615.0	22.6	The projected reduced requirements are attributable mainly to the discontinuation of 1 fixed-wing aircraft as at July 2011
Naval transportation	—	—	—	—	—	—	—	
Communications	4 105.2	3 234.1	871.1	864.5	4 098.6	6.6	0.2	
Information technology	2 732.6	2 142.9	589.7	527.0	2 669.9	62.7	2.3	
Medical	1 081.1	572.8	508.3	713.8	1 286.6	(205.5)	(19.0)	The projected additional expenditure is due to the increased actual requirements for medical services and the corresponding increase in the consumption of medical supplies and medicines
Special equipment	233.2	116.0	117.2	119.4	235.4	(2.2)	(1.0)	
Other supplies, services and equipment	2 592.9	1 161.4	1 431.5	1 458.6	2 620.0	(27.1)	(1.0)	
Quick-impact projects	—	—	—	—	—	—	—	
Subtotal	**49 965.2**	**30 371.6**	**19 593.6**	**13 857.3**	**44 228.9**	**5 736.3**	**11.5**	
Gross requirements	**196 076.7**	**117 867.1**	**78 209.6**	**76 144.5**	**194 011.6**	**2 065.1**	**1.1**	
Staff assessment income	9 174.0	5 707.4	—	—	5 707.4	3 466.6	37.8	

	1 July 2011 to 31 January 2012			*Projected 1 February to 30 June 2012*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance percentage*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Net requirements	**186 902.7**	**112 159.7**	**78 209.6**	**76 144.5**	**188 304.2**	**(1 401.5)**	**(0.7)**	
Voluntary contributions in kind (budgeted)	—	—	—	—	—	—	—	
Total requirements	**196 076.7**	**117 867.1**	**78 209.6**	**76 144.5**	**194 011.6**	**2 065.1**	**1.1**	

Annex II

Summary of proposed staffing changes for the United Nations Integrated Mission in Timor-Leste for the period from 1 July 2012 to 30 June 2013

Office/Section/Unit	*Number*	*Level*	*Description*
Executive direction and management			
Office of the Special Representative of the Secretary-General	-1	NO	Abolition of National Officer post of Security Officer
Office of the Deputy Special Representative of the Secretary-General for governance support, development and humanitarian coordination	-1	P-5	Abolition of P-5 post of Senior Coordination Officer
	-1	NGS	Abolition of national General Service post of Administrative Assistant
Office of the Deputy Special Representative of the Secretary-General for security sector support and rule of law	-1	NGS	Abolition of national General Service post of Administrative Assistant
Legal Affairs Section	-1	UNV	Abolition of UNV position of Associate Legal Officer
Subtotal	**-5**		
Component 1: political process			
Political Affairs Office	-1	P-3	Abolition of P-3 post of Political Affairs Officer
Communications and Public Information Office	-1	D-1	Conversion of D-1 post of Chief of Section to GTA position
	-2	P-4	Abolition of P-4 post of Radio Producer and P-4 post of Spokesperson
	+1	D-1	Establishment of GTA position at D-1 level by conversion of a D-1 Chief of Section post
Joint Mission Analysis Cell	-1	NO	Abolition of National Officer post of Information Management Officer
	-1	NGS	Abolition of national General Service post of Administrative Assistant
Joint Operations Centre	-1	P-3	Abolition of P-3 post of Operations Officer
	-2	NO	Abolition of 2 National Officer posts of Operations Officer
Subtotal	**-8**		
Component 2: security sector and rule of law			
Security Sector Support Section	-2	P-4	Abolition of 2 P-4 posts of Senior Security Sector Reform Officer
	-1	NO	Abolition of National Officer post of Security Sector Reform Officer
Office of Human Rights and Transitional Justice	-1	P-4	Abolition of P-4 post of Human Rights Officer
	-1	P-3	Abolition of P-3 post of Human Rights Officer
	-1	P-2	Abolition of P-2 post of Associate Human Rights Officer

Office/Section/Unit	*Number*	*Level*	*Description*
Office of the Police Commissioner	-2	P-4	Conversion of 2 P-4 posts of Administrative Officer and Civil Affairs Officer to GTA positions
	-2	P-3	Conversion of 2 P-3 posts of Police Adviser and Planning Officer to GTA positions
	+2	P-4	Establishment of 2 GTA positions by conversion of 2 P-4 posts
	+2	P-3	Establishment of 2 GTA positions by conversion of 2 P-3 posts
	-30	NGS	Abolition of 30 national General Service posts of Language Assistant
Office of the Chief Military Liaison Officer	-2	NGS	Conversion of 2 national General Service posts of Language Assistant to GTA positions
	+2	NGS	Establishment of 2 national GTA positions by conversion of 2 national General Service posts
Subtotal	**-36**		
Component 3: governance development and humanitarian coordination			
Democratic Governance Support Office	-1	P-4	Abolition of P-4 post of Democratic Governance Support Officer — Decentralization
	-5	P-4	Conversion of 5 P-4 posts of Democratic Governance Officer to GTA positions
	-1	P-3	Conversion of P-3 post of Democratic Governance Officer to a GTA position
	-3	FS	Conversion of 3 Field Service posts of Information Technology Assistant (2) and Logistics Assistant (1) to GTA positions
	-2	NO	Abolition of 2 National Officer posts
	-1	NGS	Abolition of national General Service post
	+5	P-4	Establishment of 5 GTA positions by conversion of 5 P-4 posts
	+1	P-3	Establishment of GTA position by conversion of 1 P-3 post
	+3	FS	Establishment of 3 GTA positions by conversion of 3 Field Service posts
Gender Affairs Unit	-1	P-3	Abolition of P-3 post of Gender Affairs Officer
	-1	UNV	Abolition of UNV position of Gender Affairs Officer
Administration of Justice Support Section	-1	NGS	Abolition of national General Service post of Administrative Assistant
Subtotal	**-7**		
Component 4: mission support			
Office of the Chief of Mission Support	-1	FS	Abolition of Field Service post of Board of Inquiry Assistant
Regional Administrative Offices	-1	NGS	Abolition of national General Service post of Administrative Assistant

Office/Section/Unit	*Number*	*Level*	*Description*
Office of the Chief of Administrative Services	-1	P-4	Abolition of P-4 post of Senior Training Officer
	-1	P-3	Abolition of P-3 post of Administrative Officer
	-1	FS	Abolition of Field Service post of Translation Assistant
Finance Section	-1	P-3	Abolition of P-3 post of Finance Officer
Human Resources Section	-1	P-2	Abolition of P-2 post of Associate Human Resources Officer
	-1	FS	Abolition of Field Service post of Administrative Assistant
Procurement Section	-2	FS	Abolition of 2 Field Service posts of Procurement Assistant
	-1	NGS	Abolition of national General Service post of Procurement Assistant
General Services Section	-1	P-3	Abolition of P-3 post of Travel Officer
	-2	FS	Abolition of 2 Field Service posts of Administrative Assistant
	-2	NGS	Abolition of 2 national General Service posts of Movement Control Assistant and Cleaner/Camp Management Assistant
Medical Services Section	-1	P-3	Abolition of P-3 post of Medical Officer
Supply Section	-1	P-3	Abolition of P-3 post of Supply Officer
	-1	FS	Abolition of Field Service post of Quality Assurance Assistant
	-2	NGS	Abolition of 2 national General Service posts of Supply Assistant and Fuel Assistant
Property Management Section	-1	P-2	Abolition of P-2/1 post of Associate Property Control and Inventory Officer
Transport Section	-3	FS	Abolition of 3 Field Service posts of Transport Assistant
	-8	NGS	Abolition of 8 national General Service posts of Transport Assistant (2), Driver (3) and Vehicle Technician (3)
	-4	UNV	Abolition of 4 UNV posts of Vehicle Technician (2) and Transport Assistant (2)
Movement Control Section	-1	FS	Abolition of Field Service post of Movement Control Assistant
Communications and Information Technology Section	-1	P-3	Abolition of P-3 post of Chief Information Technology Officer
	-13	NGS	Abolition of 13 national General Service posts of Telephone Technician (1), Information Technology Assistant (11) and Administrative Assistant (1)
Engineering Section	-1	P-3	Abolition of P-3 post of Civil Engineer
	-3	FS	Abolition of 3 Field Service posts of Electrical Technician, Generator Mechanic and Facilities Management Assistant
	-5	NGS	Abolition of 5 national General Service posts of Electrical Technician (1), Facilities Management Assistant (2), Material and Assets Assistant (1) and HVAC Technician (1)

Office/Section/Unit	*Number*	*Level*	*Description*
	-3	UNV	Abolition of 3 UNV posts of Engineering Technician, Facilities Management Assistant and HVAC Technician
Aviation Section	-1	FS	Abolition of Field Service post of Air Operations Officer
	-1	NGS	Abolition of national General Service post of Ramp Assistant
Security Section	-1	P-3	Abolition of P-3 post of Security Officer
	-1	P-2	Abolition of P-2 post of Security Officer
	-14	FS	Abolition of 14 Field Service posts of Security Officer (9) and Personal Protection Officer (5)
	-6	NGS	Abolition of 6 national General Service posts of Security Assistant
Conduct and Discipline Team	-1	P-5	Abolition of P-5 post of Chief, Conduct and Discipline Team
	-1	NO	Abolition of National Officer post of Conduct and Discipline Officer
	-1	P-2	Abolition of P-2/1 temporary position (GTA) of Associate Conduct and Discipline Officer
	-1	FS	Abolition of temporary Field Service position (GTA) of Administrative Assistant
Subtotal	**-92**		
Total	**-148**		

Summary of changes by category

International posts	-69
National posts	-84
United Nations Volunteers	-9
General temporary assistance	
International positions	+12
National positions	+2
Total	**-148**

Abbreviations: NGS, national General Service; FS, Field Service; UNV, United Nations Volunteers; NO, National Officer; GTA, general temporary assistance.

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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations Peacekeeping Force in Cyprus

Budget performance for the period from 1 July 2010 to 30 June 2011 and proposed budget for the period from 1 July 2012 to 30 June 2013 of the United Nations Peacekeeping Force in Cyprus

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2010/11	$56,325,700
Expenditure for 2010/11	$55,744,400
Unencumbered balance for 2010/11	$581,300
Appropriation for 2011/12	$56,512,000
Projected expenditure for 2011/12[a]	$56,441,000
Estimated underexpenditure for 2011/12[a]	$71,000
Proposal submitted by the Secretary-General for 2012/13	$54,215,500
Recommendation of the Advisory Committee for 2012/13	$54,192,700

[a] Estimates as at 31 January 2012 (see annex).

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I. Introduction

1. **The recommendation of the Advisory Committee on Administrative and Budgetary Questions contained in paragraph 24 below would entail a reduction of $22,800 to the proposed budget for the United Nations Peacekeeping Force in Cyprus (UNFICYP) for the period from 1 July 2012 to 30 June 2013.**

2. The report of the Advisory Committee on cross-cutting issues related to peacekeeping operations is contained in document A/66/718. In the present report, the Committee deals with resources and other items that relate specifically to UNFICYP.

3. In considering the proposals made by the Secretary-General in his report on the budget for UNFICYP for the period from 1 July 2012 to 30 June 2013 (A/66/686), the Advisory Committee has taken into account the recommendations of the Board of Auditors on the United Nations peacekeeping operations for the period from 1 July 2010 to 30 June 2011 (see A/66/5 (Vol. II), chap. II). In addition, the report of the Advisory Committee on the Board's report on the United Nations peacekeeping operations is contained in document A/66/719. **The Advisory Committee continues to stress the value of the findings of the Board of Auditors and reiterates the need for the implementation of its recommendations within the time frames specified by the Secretary-General.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNFICYP are listed at the end of the present report.

II. Budget performance for the period from 1 July 2010 to 30 June 2011

5. By its resolution 64/274, the General Assembly appropriated an amount of $56,325,700 gross ($53,770,000 net) for the maintenance of UNFICYP for the period from 1 July 2010 to 30 June 2011. That amount included voluntary contributions from the Government of Cyprus in the amount of $18,954,592, equivalent to one third of the net appropriation, and $6.5 million from the Government of Greece. An amount of $34,304,608 gross ($31,466,108 net) has been assessed on Member States. Expenditure for the period totalled $55,744,400 gross ($53,166,600 net). The resulting unencumbered balance of $581,300 gross ($603,400 net) represents, in gross terms, 1 per cent of the total appropriation. A detailed analysis of variances is provided in section IV of the performance report (A/66/568).

6. Underexpenditure was incurred, inter alia, under:

(a) Military contingents ($725,000, or 3.4 per cent), owing primarily to lower actual costs for commercial and charter flights for the rotation of contingent personnel, lower than budgeted unit costs for rations and reduced requirements for mission subsistence allowance resulting from fluctuations in exchange rates. The variance was offset in part by additional requirements for standard troop cost reimbursements as a result of the lower than budgeted vacancy rate;

(b) United Nations police ($466,400, or 14.7 per cent), owing primarily to reduced requirements for mission subsistence allowance and for the rotation travel of police officers as a result of the higher than budgeted vacancy rate;

(c) Official travel ($79,100, or 18.6 per cent), owing to the cancellation of some planned non-training travel as a cost-saving measure;

(d) Air transportation ($103,900, or 5.7 per cent), owing primarily to reduced requirements for rental and operation of three helicopters because of the unavailability of one Bell 212 helicopter from March 2011 as a result of technical problems;

(e) Communications ($90,300, or 10.7 per cent), owing primarily to the delay in the establishment of a leased line to the United Nations Support Base in Valencia, Spain. The variance was offset in part by additional requirements for the replacement of UHF equipment.

7. The above-mentioned underexpenditure was offset in part by additional requirements under:

(a) Facilities and infrastructure ($318,700, or 3.9 per cent), owing primarily to higher than budgeted electricity costs, higher than budgeted costs for the new contract for consolidated camp services (see para. 33 below) and higher than budgeted consumption, as well as unit cost, of kerosene. The variance was offset in part by lower requirements for alteration and renovation services owing to the Force's reduced share of the renovation costs of sites in the United Nations Protected Area;

(b) Ground transportation ($871,900, or 26.1 per cent), owing to higher costs for the rental of vehicles and higher unit costs for petrol and diesel fuel. The variance was offset in part by reduced requirements for the acquisition of vehicles and for maintenance services.

8. The Advisory Committee notes from the results-based-budgeting frameworks for the performance period that under component 2: military, only 55 of the planned 160 demining assistance troop days were required owing to the termination of the operations of the United Nations Mine Action Centre in Cyprus in February 2011 (see planned outputs under expected accomplishment 2.1: maintenance of the ceasefire and the integrity of the United Nations buffer zone). Upon enquiry, the Committee was informed that the Mine Action Centre had suspended its activities owing to the lack of access to the four remaining mined areas in the buffer zone. Nevertheless, UNFICYP was continuing to monitor the 11,472 metres of minefield perimeter fencing remaining within the buffer zone on a daily basis to prevent possible intrusion and was working on containing and minimizing the threat posed by the remaining minefields. The Committee was further informed that in line with the provisions of relevant Security Council resolutions (see, inter alia, resolution 2026 (2011)), UNFICYP continued to raise the issue of access to the remaining minefields at the political and military levels. **The Advisory Committee reiterates its earlier observation regarding the importance of UNFICYP support for the implementation of such confidence-building measures as demining and encourages the Force to pursue its efforts in this regard** (see A/65/743/Add.2, para. 34).

9. The Advisory Committee also notes that under component 4: support, the planned output relating to the training of voluntary confidential HIV/AIDS counselling and testing counsellors within the Force and the establishment of counselling and testing facilities for all mission personnel was not completed because of the lack of trained counsellors (see planned outputs under expected accomplishment 4.1: effective and efficient logistical, administrative and security support to the mission). The Committee recalls that the same output was not completed during the 2009/10 financial period for the same reason (see A/65/625). Upon enquiry, the Committee was informed that in order to ensure that the necessary HIV/AIDS counselling and testing services were provided during the 2012/13 period, UNFICYP had requested that troop contributors provide medical officers with a background in counselling. In addition, the Force planned to procure laboratory equipment for the purpose of testing. **The Advisory Committee looks forward to receiving information on the outcome of those measures in the performance report for the 2012/13 period.**

10. The comments of the Advisory Committee on the information presented in the performance report on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2012 to 30 June 2013.

III. Financial position and information on performance for the current period

11. The Advisory Committee was informed that, as at 31 January 2012, a total of $450,418,000 had been assessed on Member States in respect of UNFICYP since its inception. Payments received as at the same date amounted to $417,798,000, leaving an outstanding balance of $32,621,000. As at 13 February 2012, taking into account a three-month operating reserve of $10,847,000 (excluding reimbursements for troop-contributing countries), and including $1 million borrowed from closed peacekeeping operations, the Force had a cash shortfall of $6,947,000. **The Advisory Committee continues to be concerned about the persistent precariousness of the financial situation of the Force and its potential impact on the timely reimbursement of troop-contributing countries** (see A/65/743/Add.2, para. 11). **The Committee recalls the repeated calls by the General Assembly for all Member States to fulfil their financial obligations as set out in the Charter of the United Nations on time, in full and without conditions** (see General Assembly resolution 65/293[1]).

12. The Advisory Committee was also informed that, as at 31 December 2011, $8,681,000 was owed for troops and $1,951,000 was owed for contingent-owned equipment. With regard to death and disability compensation, as at the same date, $1,640,000 had been paid in respect of 285 claims since the inception of the Force. One claim was pending. **The Advisory Committee expects that the outstanding claim will be settled expeditiously.**

13. The Advisory Committee was informed that as at 31 January 2012, the human resources incumbency for UNFICYP for the period from 1 July 2011 to 30 June 2012 was as follows:

[1] See also General Assembly resolutions 54/249, 56/253, 62/236 and 64/243.

Category of personnel	*Authorized*[a]	*Encumbered*	*Vacancy rate (percentage)*
Military contingent personnel	860	857	0.3
United Nations police	69	69	—
International staff	39	37	5.1
National staff	113	109	3.5

[a] Represents the highest authorized strength for the period.

14. The Advisory Committee was provided with a table showing current and projected expenditure for the period from 1 July 2011 to 30 June 2012 (see annex). Expenditure for the period as at 31 January 2012 amounted to $36,529,000 gross. At the end of the current financial period, estimated total expenditure would amount to $56,441,000 against the appropriation of $56,512,000, leaving a projected unencumbered balance of $71,000.

IV. Proposed budget for the period from 1 July 2012 to 30 June 2013

A. Mandate and planned results

15. The mandate of UNFICYP was established by the Security Council in its resolution 186 (1964). The most recent extension of the mandate, to 19 July 2012, was authorized by the Council in its resolution 2026 (2011).

16. The planning assumptions and mission support initiatives for 2012/13 are described in paragraphs 6 to 10 of the Secretary-General's report on the proposed budget (A/66/686). As indicated in paragraph 6 of that report, during the budget period UNFICYP will continue to focus on creating conditions conducive to the efforts to achieve a comprehensive settlement of the Cyprus problem and will assist the Special Representative of the Secretary-General/Chief of Mission, as the principal adviser and deputy to the Special Adviser of the Secretary-General on Cyprus, in her efforts to support the full-fledged negotiations between the Greek Cypriot and Turkish Cypriot leaders. The Force will also continue to designate substantive staff and military and police personnel to facilitate and support the good offices, as required. During its consideration of the Secretary-General's proposals, the Advisory Committee was informed that as a result of the Force's efforts and the good cooperation of the opposing forces, during the period under review the military situation in the buffer zone had remained peaceful, with no major violations of the ceasefire arrangement. The doubling, since 2010, of applications for use of the buffer zone for such normal activities as farming, building or commercial ventures was a sign of the Force's contribution to stability.

17. In paragraph 8 of the budget document, the Secretary-General proposes that in order to streamline and optimize support to the military, police and civilian components of the Force, the Mission Support Division be restructured with a view to improving service delivery and seeking synergies. It is proposed that the General Services Section be disbanded and that the related administrative and logistical functions be transferred to the Personnel Section, to Integrated Support Services and

to Information and Communications Technology Services. In addition, a Property Management Unit would be established to improve the management of expendable and non-expendable assets. In the Advisory Committee's view, the latter proposal should contribute to addressing the concerns expressed by the General Assembly in paragraphs 75 and 76 of its resolution 65/289. The Committee's comments and recommendations on the related staffing proposals are contained in paragraphs 27 and 28 below.

B. Resource requirements

18. The proposed budget for UNFICYP for the period from 1 July 2012 to 30 June 2013, which provides for the deployment of 860 military contingent personnel, 69 United Nations police personnel, 38 international staff and 112 national staff, amounts to $54,215,500 gross, representing a decrease of $2,296,500, or 4.1 per cent in gross terms compared to the appropriation of $56,512,000 for 2011/12. The Advisory Committee notes that if compared to the projected expenditure of $56,441,000 for 2011/12 (see para. 14 above), the proposed resource reduction for 2012/13 would amount to $2,225,500, or 3.9 per cent. The proposed reduction mainly reflects reduced requirements for military contingents, United Nations police and international and national staff, offset in part by increased requirements for facilities and infrastructure. Detailed information on the financial resources requested and an analysis of variances are provided in sections II and III of the Secretary-General's report on the proposed budget (A/66/686).

19. The Advisory Committee notes from paragraph 27 of the Secretary-General's report that the proposed budget for UNFICYP for 2012/13 includes estimated non-budgeted contributions of $348,900. **The Advisory Committee notes the continued voluntary contributions with appreciation.** As indicated by the Secretary-General, that amount, included under the provisions of the status-of-forces agreement, is inclusive of the market value, as estimated by UNFICYP, of the cost of United Nations observation posts and office and accommodation facilities provided by the Government of Cyprus to the Force at no cost for military contingents and United Nations police, including the UNFICYP headquarters complex. The Advisory Committee recalls that in the proposed budget for the 2011/12 period, non-budgeted voluntary contributions were estimated at $303,700 (A/65/706, para. 23). Upon enquiry, the Committee was informed that the variance was attributable to the Government-imposed annual 7 per cent increase in the market value of buildings in Cyprus. The Committee was further informed that in accordance with the provisions of the United Nations System Accounting Standards, the market value of facilities was used in the estimation of non-budgetary voluntary contributions in all peacekeeping missions.

1. Military and police personnel

Category	*Approved 2011/12*	*Proposed 2012/13*[a]	*Variance*
Military contingents	860	860	—
United Nations police	69	69	—

[a] Vacancy factors of 1 and 4 per cent have been applied to the cost estimates for military personnel and United Nations police, respectively.

20. The proposed budget for military and police personnel for the period from 1 July 2012 to 30 June 2013 amounts to $22,859,200, a decrease of $1,777,600, or 7.2 per cent, compared to the apportionment of $24,636,800 for 2011/12. The decrease is due mainly to the discontinuation of the provision for supplemental payments to troop-contributing countries, which was approved for the 2011/12 period only, lower troop rotation costs, rations costs and mission subsistence allowance costs, and the application of a 4 per cent delayed deployment factor for United Nations police (as compared to the assumption of full deployment during the 2011/12 period).

2. Civilian personnel

Category	*Approved 2011/12*	*Proposed 2012/13*	*Variance*
International staff	39	38	(1)
National staff	113	112	(1)

21. The proposed budget for civilian personnel for the period from 1 July 2012 to 30 June 2013 amounts to $14,247,200, a decrease of $539,100, or 3.6 per cent, compared to the apportionment for 2011/12. The vacancy factors applied to the cost estimates for civilian personnel are the same as those applied during the 2011/12 period, namely 5 per cent for international staff and 2 per cent for national staff.

22. The reduced requirements under international staff ($235,500 or 3.6 per cent) are attributable primarily to the decrease in staff assessment based on the January 2012 salary scale, the revision, based on actual expenditure for the period from July to December 2011, of the estimate for common staff costs to 60 per cent of total net salaries, as compared to 65 per cent for the 2011/12 period, and the proposed abolition of one Field Service post (see para. 28 below). Under national staff, the decrease of $303,600, or 3.8 per cent, is due mainly to the application of the United Nations exchange rate of €0.774 to the United States dollar, as at 31 December 2011, as compared to the rate of €0.761 to the dollar applied in the 2011/12 budget, and to the proposed abolition of one General Service post (see para. 28 below).

Recommendations on posts

Reclassification

23. Under component 2: military, the Secretary-General is proposing the upward reclassification of the post of Force Commander from the D-1 to the D-2 level. He indicates that the functions of the post include acting as Head of Mission in the absence of the Special Representative of the Secretary-General, liaising regularly with the opposing forces, and facilitating and mediating military and political discussions between the two sides. He further states that with the resumption of high-level discussions between the two sides, including at the highest military level, the upgrade to the D-2 level is being requested in order to ensure that the level of the United Nations military representation is commensurate with that of the heads of the opposing forces. According to the Secretary-General, the upward reclassification would allow for the recruitment of a senior officer of a higher military rank than the rank equivalent to the current D-1 post and would align the level of the Force Commander with similar positions in other comparable peacekeeping missions (A/66/686, para. 18). The Committee recalls that in his report on the 2006/07

proposed budget (A/60/592), the Secretary-General had proposed that the post of Force Commander be downgraded from the D-2 to the D-1 level in view of the reduction of the Force strength from 1,230 to 860 military personnel. This proposal was welcomed by the Advisory Committee (see A/60/785, para. 25) and subsequently endorsed by the General Assembly in its resolution 60/270. Upon enquiry, the Committee was informed that the situation in the mission area had remained calm and the levels of tasks entrusted to the Force, that is, securing and managing the 180-km de facto ceasefire lines and the buffer zone, remained unchanged.

24. **The Advisory Committee is not convinced by the justification provided by the Secretary-General for the proposed reclassification, since the situation in the mission area and the levels of functions performed by the Force have not changed since the downgrade of the Force Commander post from the D-2 to the D-1 level was endorsed by the General Assembly. The Committee therefore recommends against the proposed reclassification at this time. In the interest of ensuring consistency in the application of post levels, the Committee also recommends that in the context of his next overview report, the Secretary-General provide a detailed explanation of the methodology used to determine the level of Force Commander posts in all peacekeeping missions.**

Reassignment

25. The Secretary-General is proposing to reassign one national General Service post of Contracts Management Assistant in the Office of the Chief of Mission Support (component 4) to the Civil Affairs Section (component 1) to function as a Civil Affairs Assistant. The Secretary-General indicates that the Section is currently operating at full capacity and requires an additional post to respond to the increased dialogue between the two sides. The incumbent of the post would provide assistance to the civil affairs teams in three sectors and would work directly with the local level district administration and village councils to improve administration of the buffer zone (see A/66/686, para. 16). **The Advisory Committee has no objection to the Secretary-General's proposal for the reassignment of one national General Service post.**

Redeployments

26. In paragraph 14 of his proposed budget, the Secretary-General proposes the redeployment of one post (P-3) of Administrative Officer from the Office of the Chief of Mission Support (component 4) to the Office of the Special Representative of the Secretary-General/Chief of Mission (executive direction and management), noting that the cross-cutting functions relating to conduct and discipline, best practices, gender and ethics matters, as well as to the implementation of the recommendations and observations of the legislative and oversight bodies, that have been performed by the incumbent of post fall within the purview of the Special Representative and should therefore be located in her Office. **The Advisory Committee has no objection to the Secretary-General's proposal for the redeployment of one post (P-3) of Administrative Officer.**

27. Under component 4, in the context of the restructuring of the Mission Support Division (see para. 17 above), the Secretary-General is proposing the following 15 redeployments:

(a) One Field Service post of Administrative Officer from Integrated Support Services to the Office of the Chief of Mission Support (see A/66/686, para. 25);

(b) One Field Service post of Archive Assistant and one national General Service post of Mail Assistant from the General Services Section to Information and Communications Technology Services in order to streamline the registry functions of the Force (see A/66/686, para. 26);

(c) Six national General Service posts of Property Management Assistant from the General Services Section to a new Property Management Unit in order to improve the management of expendable and non-expendable assets (see A/66/686, para. 22);

(d) One national General Service post of Administrative Assistant from the General Services Section and one national General Service post of Finance Assistant from the Finance Section to the Budget Unit (see A/66/686, para. 22);

(e) Two national General Service posts of Travel Assistant from the General Services Section to the Personnel Section (see A/66/686, para. 24);

(f) Two national General Service posts of Movement Control Assistant from the General Services Section to Integrated Support Services in order to enhance the effectiveness of logistics support services (see A/66/686, para. 25).

The Advisory Committee has no objection to the redeployments proposed by the Secretary-General.

Abolitions

28. Under component 4, the Secretary-General is proposing to abolish one Field Service post of Chief of the General Services Section and one national General Service post of Senior Property Management Assistant owing to the rationalization of the related functions as part of the above-mentioned restructuring of the Mission Support Division (see A/66/686, para. 21). **The Advisory Committee has no objection to the proposed abolition of one Field Service and one national General Service post.**

3. Operational costs

(United States dollars)

Apportionment 2011/12	*Proposed 2012/13*	*Variance*
17 088 900	17 109 100	20 200

29. Operational costs for the period from 1 July 2012 to 30 June 2013 are estimated at $17,109,100, reflecting an increase of $20,200, or 0.1 per cent, over the appropriation for 2011/12.

Official travel

30. Estimated requirements for official travel for 2012/13 total $400,400, an increase of $11,700 (3 per cent) over the apportionment for 2011/12. The Advisory Committee notes from the supplementary information provided to it, however, that while the overall requirements for travel have increased, the requirements for

official travel for training have decreased, from $143,000 during the performance period to an estimated $137,000 during the budget period. Upon enquiry, the Committee was informed that the projected decrease was attributable to reduced requirements for daily subsistence allowance and air fares as a result of the decision to make greater use of local and regional facilities, namely the United Nations Logistics Base at Brindisi, Italy, the logistics hub in Entebbe, Uganda, and the regional capacity at the United Nations Interim Force in Lebanon, rather than sending staff to Headquarters in New York for training. The Committee was further informed that UNFICYP made every effort to minimize travel for training by prioritizing mandatory courses and reviewing additional requests in light of operational requirements, as well as through the continued implementation of its train-the-trainer policy, whereby staff members having participated in certain training courses shared their knowledge with other staff members upon their return to Cyprus. **The Advisory Committee welcomes the efforts made by UNFICYP to contain training-related travel expenditure. The Committee has commented further on the issue of training in its cross-cutting report (A/66/718).**

Facilities and infrastructure

31. Estimated requirements for facilities and infrastructure for 2012/13 total $9,044,400, an increase of $427,500 (5 per cent) over the apportionment for 2011/12. The increase is attributable mainly to additional requirements for (a) local electricity costs and (b) maintenance services in accordance with the terms of the new consolidated camp services contract.

32. With regard to electricity costs, the Secretary-General indicates in paragraph 9 of the budget document that UNFICYP has experienced significant increases in the cost of electricity as a result of the destruction of the island's main power station in July 2011. In that connection, the Advisory Committee notes from the supplementary information provided to it that for the 2011/12 period, the Force is projecting overexpenditure of $376,000 under facilities and infrastructure owing in part to increases in local electricity costs. For the 2012/13 period, resource requirements for utilities (under the facilities and infrastructure budget line) are projected to increase by $209,600, or 11.4 per cent, for the same reason.

33. As to maintenance services, the Advisory Committee notes from the supplementary information provided to it that the related estimated requirements have increased by $327,300, or 7.5 per cent, as compared to the requirements for the preceding period as a result of the entry into force, effective March 2011, of the new consolidated camp services contract. Upon enquiry, the Committee was informed that in accordance with a recommendation made in 2008 by the Office of Internal Oversight Services, the Mission Support Division had reviewed its supply and transport services contracts with a view to reducing the number of contractors and obtaining economies of scale. Following a bidding exercise, it had become apparent that the costs of a consolidated contract would be significantly higher than those of the existing individual contracts. Accordingly, the Headquarters Committee on Contracts had recommended that better prices be negotiated. While it had been possible to achieve some price reductions, the new contract remained more expensive than the previous arrangements for the following reasons: (a) expanded scope of work, including qualitative assurance management, risk management and international standards, as well as additional service requirements; (b) updated prices: the previous individual contracts had been based on 2005 pricing, which was

valid until their expiration in 2009; and (c) inflation. **The Advisory Committee trusts that any future consolidation will only be pursued when it is cost-effective and will result in economies of scale without a negative impact on the quality of services provided.**

34. With regard to construction activities, the Advisory Committee recalls its previous observations regarding the renovations at the Ledra Palace Hotel (sector 2 headquarters) and the San Martin Camp (sector 1) (see A/64/660/Add.5, paras. 31-32, and A/65/743/Add.2, para. 31), and notes from section V.B of the budget document that both projects, which are being undertaken by the host Government under the status-of-forces agreement, are ongoing. The Secretary-General indicates that 90 per cent of the accommodation facilities at the San Martin Camp have been renovated and that the remainder of the work is expected to be completed by April 2012. At the Ledra Palace Hotel, however, serious delays have occurred, but additional resources have not been made available by the host Government to make up for lost time. As a result, the project is now expected to be completed by the end of 2012. **The Advisory Committee is concerned about the persistent delays affecting the renovation works at the San Martin Camp and the Ledra Palace Hotel, and trusts that both projects will be completed within the revised time frames specified by the Secretary-General in his report.**

Ground transportation

35. Estimated requirements for ground transportation for the 2012/13 period amount to $3,365,300, a decrease of $217,900 (6.1 per cent) as compared to the apportionment for the 2011/12 period. The decrease is attributable primarily to lower rental costs for vehicles, offset in part by an increase in the cost of diesel fuel to $0.90 per litre in the South and $1.50 per litre in the North, as compared with $0.70 in the South and $1.12 in the North during the preceding period. Upon enquiry as to the reason for the disparity in fuel prices between the South and North of the island, the Advisory Committee was informed that the South and North of the island were effectively run as two separate administrations with different market conditions and supply chains for distribution of fuel and other commodities. That situation gave rise to different costing and pricing structures for fuel. In the South, UNFICYP was exempt from value added tax and excise duties, while in the North, it paid the full retail price.

Air transportation

36. Estimated requirements for air transportation for the 2012/13 period amount to $2.025 million, an increase of $64,900 (3.3 per cent) over the apportionment for the 2011/12 period.

37. With specific reference to aviation fuel, the Advisory Committee notes from the performance report for the 2010/11 period that only 167,411 litres of the planned provision of 240,000 litres were required. It is indicated in the report that the variance is due to a lower than planned number of hours flown (1,048 rather than 1,320). Upon enquiry, the Committee was provided with information on actual average fuel usage per hour for both of the Force's helicopters, which is presented in the table below:

	Flight hours	*Actual fuel usage (l/hour)*	*Total fuel usage*
Bell 212	208.4	313	65 229.2
H-500	839.5	86	72 197
Total			**137 426.2**

On the basis of this information, the total fuel usage amounted to over 137,426 litres during the period. The Advisory Committee was informed, however, that the additional 30,000 litres reflected in the performance report represented fuel used for training and maintenance flights (12,392 litres), consumed during product testing (13,272 litres) and provided on a cost-recovery basis to State-owned aircraft (2,173 litres), as well as fuel stocks on hand at the beginning and end of the financial period. The Committee addresses the issue of the aviation fuel in more detail in its cross-cutting report on peacekeeping operations (A/66/718).

4. Other matters

Efficiency gains

38. The Secretary-General states in his report that the energy and water conservation projects that were introduced in two camps in 2011/12 (see A/65/743/Add.2, para. 21) and will be extended to six additional locations in 2012/13 are expected to mitigate the effects of the above-mentioned increases in electricity costs. The Advisory Committee notes from the table in paragraph 28 of the budget document that efficiency gains amounting to $64,100 are anticipated as a result of those projects, which are designed to reduce power and water consumption by 12.5 per cent. Upon enquiry, the Committee was informed that the specific steps taken to reduce consumption included the installation of solar panels, low-flow showerheads and automatic shut-off taps, as well as improved building insulation. **While noting that the efficiency gains anticipated as a result of the energy and water conservation projects will not entirely defray the additional costs for electricity, the Advisory Committee nevertheless commends UNFICYP for its efforts to reduce energy consumption.**

V. Conclusion

39. The actions to be taken by the General Assembly in connection with the financing of UNFICYP for the period from 1 July 2010 to 30 June 2011 are set out in paragraph 32 of the performance report (A/66/568). **The Advisory Committee recommends that the unencumbered balance of $581,300, as well as other income/adjustments in the amount of $1,224,000, be credited to Member States.**

40. The actions to be taken by the General Assembly in connection with the financing of UNFICYP for the period from 1 July 2012 to 30 June 2013 are set out in paragraph 45 of the proposed budget (A/66/686). **The Advisory Committee recommends that should the Security Council decide to continue the mandate of UNFICYP beyond 19 July 2012, the Assembly appropriate an amount of $54,192,700 for the maintenance of the Force for the 12-month period from 1 July 2012 to 30 June 2013, including $23,883,067 to be funded through**

voluntary contributions from the Government of Cyprus ($17,383,067) and from the Government of Greece ($6.5 million).

Documentation

- Budget performance of the United Nations Peacekeeping Force in Cyprus for the period from 1 July 2010 to 30 June 2011 (A/66/568)
- Budget for the United Nations Peacekeeping Force in Cyprus for the period from 1 July 2012 to 30 June 2013 (A/66/686)
- Report of the Board of Auditors on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2011 (A/66/5 (Vol. II))
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance report for the period from 1 July 2009 to 30 June 2010 and proposed budget for the period from 1 July 2011 to 30 June 2012 of the United Nations Peacekeeping Force in Cyprus (A/65/743/Add.2)
- General Assembly resolution 65/295 on the financing of the United Nations Peacekeeping Force in Cyprus
- Security Council resolution 2026 (2011)

Annex

Current and projected expenditure of the United Nations Peacekeeping Force in Cyprus for the period from 1 July 2011 to 30 June 2012

(Thousands of United States dollars)

	1 July 2011 to 31 January 2012			*Projected 1 February to 30 June 2012*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure 2011/12*	*Estimated unencumbered balance as at 30 June 2012*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Military and police personnel								
Military contingents	21 540	12 553	8 988	8 561	21 114	426	2.0	Reduced requirements resulting from lower rotation costs owing to the continued use of commercial flights in lieu of chartered flights
United Nations police	3 097	2 926	171	(29)	2 897	200	6.5	Reduced requirements resulting from a higher actual vacancy rate of 2 per cent compared to budgeted full deployment, owing to the delayed deployment of United Nations police
Subtotal	**24 637**	**15 479**	**9 158**	**8 532**	**24 011**	**626**	**2.5**	
Civilian personnel								
International staff	6 625	3 765	2 859	2 652	6 418	207	3.1	Reduced requirements resulting from a higher actual vacancy rate (7 per cent compared to the budgeted 5 per cent)
National staff	7 970	4 689	3 281	4 045	8 735	(765)	(9.6)	Additional requirements resulting from the difference between the actual average exchange rate of €0.726 to the dollar compared to the budgeted exchange rate of €0.761 to the dollar
General temporary assistance	192	156	36	36	192	—	—	
Subtotal	**14 786**	**8 610**	**6 176**	**6 734**	**15 344**	**(558)**	**(3.8)**	

	1 July 2011 to 31 January 2012			Projected 1 February to 30 June 2012				
	Apportionment	Total expenditure	Unencumbered balance	Expenditure	Total expenditure 2011/12	Estimated unencumbered balance as at 30 June 2012	Variance (percentage)	
	(1)	(2)	(3)=(1)-(2)	(4)	(5)=(2)+(4)	(6)=(1)-(5)	(7)=(6)÷(1)	Reasons for variance
Operational costs								
Consultants	19	—	19	19	19	—	—	
Official travel	389	115	274	183	298	91	23.4	Reduced requirements resulting from the prioritization of travel requirements and the use of local and regional training centres (United Nations Logistics Base at Brindisi, Italy, and the logistics hub in Entebbe, Uganda)
Facilities and infrastructure	8 617	7 125	1 492	1 868	8 992	(376)	(4.4)	Additional requirements resulting from (a) increases in the cost of camp services based on the new contract effective 1 March 2011, (b) increase in electricity charges owing to the appreciation of the value of the euro against the dollar and (c) increases in electricity charges following the recent destruction of the island's main electrical power station
Ground transportation	3 583	3 317	267	586	3 902	(319)	(8.9)	Additional requirements resulting from the higher actual average cost of petrol in the North at $1.64 per litre against the budgeted $1.25 per litre and in the South at $0.92 per litre against the budgeted $0.70 per litre, owing to the appreciation of the value of the euro against the dollar
Air transportation	1 960	237	1 723	1 276	1 513	447	22.8	Reduced requirements resulting from the non-utilization of the Bell helicopter owing to technical difficulties

	1 July 2011 to 31 January 2012			*Projected 1 February to 30 June 2012*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure 2011/12*	*Estimated unencumbered balance as at 30 June 2012*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Communications	824	588	236	175	764	60	7.3	Reduced requirements resulting from delays in the establishment of the terrestrial line for connectivity to the United Nations Support Base in Valencia leased line
Information technology	784	635	149	123	758	25	3.2	Reduced requirements resulting from fewer acquisitions of software following the reprioritization of resources to meet more critical requirements
Medical	357	173	185	162	334	23	6.4	Reduced requirements resulting from the reprioritization of resources to meet more critical requirements
Special equipment	22	—	22	5	5	17	77.1	Reduced requirements resulting from the reprioritization of resources to meet more critical requirements
Other supplies, services and equipment	534	252	283	249	501	34	6.3	Reduced requirements resulting from the reprioritization of resources to meet more critical requirements
Subtotal	**17 089**	**12 440**	**4 649**	**4 647**	**17 087**	**2**	—	
Gross requirements	**56 512**	**36 529**	**19 983**	**19 912**	**56 441**	**71**	**0.1**	
Staff assessment income	2 404	954	1 450	1 450	2 404	—	—	
Net requirements	**54 108**	**35 576**	**18 532**	**18 462**	**54 038**	**70**	**0.1**	
Voluntary contributions in kind (budgeted)	1 692	529	1 163	1 163	1 692	—	—	
Total requirements	**58 204**	**37 058**	**21 146**	**21 075**	**58 133**	**71**	—	

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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations peacekeeping forces in the Middle East: United Nations Disengagement Observer Force

Budget performance for the period 1 July 2010 to 30 June 2011 and proposed budget for the period from 1 July 2012 to 30 June 2013 of the United Nations Disengagement Observer Force

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2010/11	$47,806,900
Expenditure for 2010/11	$47,280,700
Unencumbered balance for 2010/11	$526,200
Appropriation for 2011/12	$50,526,100
Projected expenditure 2011/12[a]	$50,339,000
Estimated unencumbered balance for 2011/12[a]	$187,100
Proposal submitted by the Secretary-General for 2012/13	$46,238,700
Recommendation of the Advisory Committee for 2012/13	$45,499,800

[a] Estimates as at 29 February 2012 (see annex I).

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I. Introduction

1. **The recommendations of the Advisory Committee on Administrative and Budgetary Questions contained in paragraphs 29 and 30 below would entail reductions of $738,900 to the proposed budget for the United Nations Disengagement Observer Force (UNDOF) for the period from 1 July 2012 to 30 June 2013 (A/66/683 and Corr.1). The Committee has made observations and recommendations, where appropriate, in the paragraphs below.**

2. The report of the Advisory Committee on cross-cutting issues related to United Nations peacekeeping operations is contained in document A/66/718. In the present report, the Committee deals with resources and other items that relate specifically to UNDOF.

3. In considering the performance report of UNDOF for the period from 1 July 2010 to 30 June 2011 (A/66/556), the Advisory Committee has taken into account the recommendations of the Board of Auditors (see A/66/5 (Vol. II), chap. II). The report of the Advisory Committee on the Board's report on the United Nations peacekeeping operations is contained in document A/66/719. **The Advisory Committee continues to stress the value of the findings of the Board of Auditors and reiterates the need for the implementation of its recommendations within the time frames specified by the Secretary-General.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNDOF are listed at the end of the present report.

II. Budget performance report for the period from 1 July 2010 to 30 June 2011

5. The Advisory Committee recalls that the General Assembly, in its resolution 64/281, appropriated an amount of $47,806,900 gross ($46,413,900 net) for the maintenance of UNDOF for the period from 1 July 2010 to 30 June 2011. Total expenditures for the period amounted to $47,280,700 gross ($45,820,100 net), which is $526,200 gross ($593,800 net) lower than the amount appropriated by the Assembly in resolution 64/281, corresponding to a budget implementation rate of 98.9 per cent. As shown in section III.A of the report of the Secretary-General (A/66/556), the underexpenditure is the net result of reduced requirements of $1,445,300 under military personnel costs, offset, in part, by overexpenditure of $716,100 under civilian personnel and overexpenditure of $203,000 under operational costs (see paras. 6-10 below). A summary of the activities undertaken by UNDOF during the period to implement its mandate is contained in paragraphs 8 to 11 of the Secretary-General's report, and the extent to which actual progress was made against the expected accomplishments for the period is described in section II.E of the same report.

6. It is indicated in the report that the underexpenditure under military personnel is mainly due to reduced requirements for (a) travel for emplacement, rotation and repatriation ($779,200), owing to lower actual costs for the rotation of contingent personnel compared to the budgeted estimate; and (b) rations ($496,500), owing to the rationalization of food requirements, which resulted in less waste, as well as the

availability of stocks of composite ration packs from the prior financial period (see A/66/556, para. 22).

7. The Advisory Committee notes that the overexpenditure of $716,100 under civilian personnel costs is equivalent to 6.8 per cent of the apportionment. Under international staff, the Committee was informed that the overexpenditure of $94,500 is due to additional requirements for common staff costs ($319,000) to provide for the evacuation of dependants of staff as a result of the security situation in the mission area, which is partially offset by reduced requirements for salaries ($166,500), due to the higher actual vacancy rate of 14.6 per cent in the period, compared to the budgeted rate of 11 per cent.

8. Under national staff, the additional requirement of $631,900 is due mainly to the difference in the actual average exchange rate of 46.6 Syrian pounds to the United States dollar, compared with the budgeted exchange rate of 57.8 pounds to the dollar, as well as the revision of the national salary scales effective November 2010 (ibid., para. 23).

9. Under operational costs, the overexpenditure of $203,000 is mostly attributable to increased requirements under:

(a) Facilities and infrastructure, in the amount of $232,100, including increased expenditure for construction services ($237,000), due mainly to the establishment of a refrigerated warehouse facility for the storage of frozen rations, for which no provision had been made in the budget, and higher actual construction costs for the new office building in Camp Faouar in the light of the security situation in the mission area, and for petrol, oil and lubricants ($374,200), attributable to the higher cost of fuel of $0.75 per litre compared to the budgeted cost of $0.50 per litre, the increase by an additional 75,000 litres in the level of the strategic fuel reserves, as well as the additional requirements for generator fuel due to extreme weather conditions (ibid., para. 27);

(b) Special equipment, in the amount of $126,000, attributable primarily to the replacement of small binoculars, for which no provision had been made in the budget, and the acquisition of additional night-time equipment for increased patrolling activities (ibid., para. 30);

(c) Other supplies, services and equipment, in the amount of $230,400, attributable to increased expenditure for freight charges ($99,200), mainly due to the shipment of seven armoured personnel carriers from the United Nations Logistics Base at Brindisi, Italy, and the United Nations Interim Administration Mission in Kosovo; the acquisition of personal passive protection gear for military contingent personnel in the light of the prevailing security situation, which, the Advisory Committee was informed, was undertaken with the assistance of the United Nations Logistics Base ($86,400); as well as loss on exchange ($79,600) experienced in the performance period (ibid., para. 31).

10. The above overexpenditures under operational costs were offset, in part, by reduced requirements for the acquisition of vehicles ($231,000), due to the lower actual cost for the replacement of a sewage truck and a palletized loading system truck (ibid., para. 28); and for medical services ($80,400), due to the lower number of personnel requiring treatment in local facilities, the lower negotiated costs of services in local medical facilities and the reduced requirement for medical supplies following the consolidation of two level I facilities in Camp Ziouani (ibid., para. 29).

11. The mission support initiatives undertaken by the Force in the period from 1 July 2010 to 30 June 2011 are described in paragraphs 12 and 13 of the Secretary-General's report (A/66/556). It is indicated that the Force improved its rations management through the rationalization of food requirements, which led to less waste while ensuring the appropriate caloric values (see also para. 27 below). In addition, the Advisory Committee was informed that seven armoured personnel carriers received from surplus stock had allowed UNDOF to terminate the maintenance contract for some of its armoured personnel vehicles and to perform such maintenance in house at a reduced cost.

12. The comments of the Advisory Committee on the information in the performance report on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2012 to 30 June 2013 in the paragraphs below.

III. Financial position and information on performance for the current period

13. The Advisory Committee was informed that, as at 17 February 2012, a total of $1,692,534,000 had been assessed on Member States with respect to UNDOF since its inception. As at the same date, payments received amounted to $1,650,034,000, leaving an outstanding balance of $42,500,000. As at 13 February 2012, the mission had cash resources of $11,200,000; after allowing for a three-month operating cash reserve of $8,733,000, the remaining balance amounted to $2,467,000.

14. The Advisory Committee was further informed that, as at 31 January 2012, an amount of $5,625,918 was owed for troop costs for the period from September 2011 to January 2012, and that payments in the year 2011 totalling $10,625,000 had been made up to August 2011. The balance owed for contingent-owned equipment, as at 31 December 2011, amounted to $411,000, and payments totalling $547,000 had been made in the year 2011 up to June 2011. In respect of death and disability compensation, no unliquidated obligations or claims remained outstanding.

15. The Advisory Committee was provided with information on the incumbency of UNDOF military and civilian personnel for the period from 1 July 2011 to 30 June 2012, as at 31 January 2012, as follows:

Category	*Authorized*[a]	*Encumbered*	*Vacancy rate (percentage)*
Military contingents	1 047	1 040	0.7
International staff	46	40	13.0
National staff	110	105	4.5

[a] Representing the highest authorized strength for the period.

16. The Advisory Committee was also provided with a table on current and projected expenditures for the period from 1 July 2011 to 30 June 2012 with reasons for variance (see annex I). As at 29 February 2012, current expenditures amounted to $28,989,600 gross ($28,379,000 net) against an appropriation of $50,526,100 gross ($48,999,400 net). The total projected expenditure for the entire financial

period amounts to $50,339,000, which would leave an unencumbered balance of $187,100, equivalent to 0.4 per cent of the appropriation.

IV. Proposed budget for the period from 1 July 2012 to 30 June 2013

A. Mandate and planned results

17. The mandate of UNDOF was established by the Security Council in its resolution 350 (1974). By its resolution 2028 (2011) of 21 December 2011, the Security Council decided to extend the mandate of UNDOF until 30 June 2012.

18. Planning assumptions and mission support initiatives for the period from 1 July 2012 to 30 June 2013 are described in paragraphs 7 to 16 of the report of the Secretary-General (A/66/683 and Corr.1). In this connection, the Advisory Committee notes that the mission will continue to fulfil its mandate of maintaining the ceasefire between the Israeli and Syrian forces and supervising their disengagement in the area of separation.

19. In its previous report on the performance and proposed budget of UNDOF (A/65/743/Add.3), the Advisory Committee had noted that UNDOF had completed a review with the aim of streamlining support services. In the same report, the Committee had noted that, on the basis of that review, including a detailed troops-to-task analysis with assistance from the Office of the Military Adviser, UNDOF would make a proposal to the Department of Peacekeeping Operations for revised force requirements. The Committee further indicated its expectation that the Secretary-General would provide detailed information in this regard in the context of the 2012/13 budget submission (see A/65/743/Add.3, para. 23). The Committee was informed that, further to Security Council resolution 1994 (2011), the Secretariat conducted in the latter part of 2011, jointly with UNDOF, an assessment of the Force's operational capacity.

20. The Advisory Committee notes from paragraph 12 of the report of the Secretary-General on UNDOF (S/2011/748) that the assessment team found that the Force was adequately configured and appropriately deployed to fulfil its mandated tasks, and concluded that there was no need for structural or operational changes. It is also indicated that the assessment team further identified areas in which adjustments would enhance the Force's capacity to operate, and the need to enhance its mobility, observation and communication equipment and infrastructure in order to maintain the required operational and security capacity.

21. In paragraphs 11 to 15 of his report on the proposed budget for UNDOF (A/66/683 and Corr.1), the Secretary-General provides information on the implementation of the mission support plan. According to the Secretary-General, the plan outlines how the Force intends to enhance its support services, while replacing obsolete equipment, refurbishing dilapidated facilities in both the Syrian and Israeli-occupied areas, and reducing energy and water consumption. The Advisory Committee was further informed that the mission support plan is envisaged to be implemented in phases over a five-year period. Upon enquiry, the Committee was provided with an outline of the main objectives and deliverables of the mission support plan, which is contained in annex II to the present report. The Committee

was further informed that the principles of the UNDOF mission support plan were based on the global field support strategy framework for a shared-services approach to supporting United Nations operations and cooperation between regional peacekeeping missions, which enhances the levels of efficiency and effectiveness.

22. It is indicated in the proposed budget that UNDOF will reduce generator fuel consumption through a programme to improve the insulation of all facilities and switch to solar and wind power sources; and will connect six military positions to the local electric power grids, rather than utilizing generators (see A/66/683 and Corr.1, para. 13). UNDOF also proposes to reduce vehicle maintenance costs by adjusting intervals between oil changes from the current 5,000 km to 10,000 km, in keeping with the manufacturer's recommendations (ibid., para. 14), and reduce its operational costs for communications and information technology through greater cooperation with missions in the region in order to achieve economies of scale (ibid., para. 15).

23. **The Advisory Committee takes note of the adoption by UNDOF of a mission support plan and its intended objectives. The Committee expects that subsequent budgets and performance reports will provide information on the efficiencies realized as a result of its implementation.**

B. Resource requirements

24. The proposed budget for UNDOF for the period from 1 July 2012 to 30 June 2013 amounts to $46,238,700 gross ($45,059,900 net), representing a decrease of $4,287,400, or 8.5 per cent, in gross terms, compared to the appropriation of $50,526,100 for the 2011/12 period. The Advisory Committee notes that, if compared to the projected expenditures of $50,339,000 gross for 2011/12 (see para. 16 above), the proposed resource reduction for the 2012/13 period would amount to $4,100,300. The proposed reduction reflects the reduced provisions, compared to the current appropriation, for military personnel ($1,974,200), civilian personnel ($680,000) and operational costs ($1,633,200). The financial resource requirements are provided in section II of the Secretary-General's report on the proposed budget (A/66/683 and Corr.1). The UNDOF budget provides for the deployment of 1,047 military personnel, 46 international staff and 110 national staff in the period from 1 July 2012 to 30 June 2013.

25. An analysis of variances is provided in section III of the proposed budget. In paragraph 16 of the report, it is indicated that the decrease in overall requirements is primarily attributable to (a) the exclusion of the provision for a one-time supplemental payment to troop-contributing countries, which was approved for the 2011/12 period only; (b) reduced requirements for the rotation of military personnel, based on recent lower actual commercial air charter services costs; (c) the deferment of the replacement of vehicles and communications and information technology equipment resulting from the plan to extend the use of the equipment; and (d) lower common staff costs for international staff based on actual expenditure for the period from July to December 2011.

1. Military personnel

Category	*Approved 2011/12*	*Proposed 2012/13*
Military contingent personnel	1 047	1 047

26. The requested resources for military personnel for the period from 1 July 2012 to 30 June 2013 amount to $22,888,600, a decrease of $1,974,200, or 7.9 per cent, compared to the apportionment for the 2011/12 period. The decrease under military personnel is attributable mainly to (a) the exclusion, under troop reimbursement costs, of the provision for the one-time supplemental payment to troop-contributing countries in the 2011/12 period authorized under General Assembly resolution 65/289 ($964,400); (b) the lower average cost of commercial rotations ($747,400); and (c) the decrease in the average cost of daily rations from $7.20 in the current period to $7.00 in the 2012/13 period ($265,200).

27. The Secretary-General indicates in paragraph 12 of the performance report (A/66/556) that the Force improved its rations management through the rationalization of food requirements. The Advisory Committee was informed that the requirement for rations in the period from 1 July 2012 to 30 June 2013 is reduced by a total of $265,200, compared to the current apportionment, of which $247,600 is attributed to an efficiency initiative aimed at reducing consumption of rations by 5 per cent through more stringent management of ration stocks (see A/66/683 and Corr.1, para. 31). The Committee was further informed, upon enquiry, that staff officers had been inadvertently included as recipients of rations in the calculation of requirements in previous budget submissions for the Force, resulting in overbudgeting, and the proposed budget for the period from 1 July 2012 to 30 June 2013 therefore excludes these personnel.

28. **The Advisory Committee recommends approval of the resources proposed for military personnel.**

2. Civilian personnel

Category	*Approved 2011/12*	*Proposed 2012/13*
International staff	46	46
National staff	110	110

29. The estimated requirement for civilian personnel for the period from 1 July 2012 to 30 June 2013 amounts to $10,999,400, reflecting a decrease of $680,000, or 5.8 per cent, in comparison with the apportionment for the 2011/12 period. Under international staff, the proposed resources amount to $7,630,600, reflecting a decrease of $440,400, or 5.5 per cent, compared to the apportionment for the 2011/12 period, which is attributable to decreased requirements under common staff costs and staff assessment. It is indicated in paragraph 32 of the report (A/66/683 and Corr.1) that the staffing costs reflect the application of a vacancy factor of 10 per cent for international staff in the 2012/13 period. The Advisory Committee was informed that the actual vacancy rate among international posts in UNDOF was 13.0 per cent in the month of January 2012, and had averaged 11.2 per cent in the period from 1 July 2011 to 31 January 2012. **The Advisory Committee recommends that the vacancy factor applied for international staff should be**

increased to 10.9 per cent and that the related budgetary requirement should be reduced accordingly.

30. Under national staff, the proposed resources amount to $3,327,800, reflecting a decrease of $239,600, or 6.7 per cent, compared to the apportionment for the 2011/12 period, which is attributable to the application of an operational rate of exchange of 55.26 Syrian pounds to the dollar, as compared to the exchange rate of 46.26 Syrian pounds to the dollar applied in the 2011/12 budget (ibid., para. 43). The Advisory Committee was informed, upon enquiry, that the Syrian pound had depreciated considerably in the current financial period, and that the most recent United Nations operational rate of exchange, for the month of March 2012, was 69.25 Syrian pounds to the dollar. The Committee was further informed, upon enquiry, that the application of the operational rate of exchange for the month of March 2012 of 69.25 Syrian pounds to the dollar would imply a reduction of $662,000 in the requirement for national staff in the 2012/13 period. **Accordingly, the Advisory Committee recommends that the resources for national staff be reduced by the amount of $662,000.**

Recommendation on posts

31. It is indicated in paragraph 12 of the Secretary-General's report (A/66/683 and Corr.1) that, in the context of the mission support plan, and based on a review of its overall structure, the Force proposes to reassign one Field Service post and three national General Service posts and to redeploy one national General Service post in the 2012/13 period within the Mission Support Division to respond to changes in operational requirements (ibid., paras. 24-29).

32. **Taking into account paragraphs 29 and 30 above, the Advisory Committee recommends approval of the staffing changes as well as the resources proposed by the Secretary-General for civilian personnel in UNDOF.**

3. Operational costs

(Thousands of United States dollars)

	Approved 2011/12	*Proposed 2012/13*	*Variance*
Operational costs	13 983.9	12 350.7	(1 633.2)

33. The estimated requirements for operational costs in the period from 1 July 2012 to 30 June 2013 amount to $12,350,700, representing a decrease of $1,633,200, or 11.7 per cent, compared to the apportionment for the 2011/12 period. The decreases are mainly due to reductions in the requirements for (a) official travel ($15,400); (b) ground transportation ($947,800), owing to the extended utilization of the existing fleet, lower costs for the repair and maintenance of the Sisu armoured personnel carriers and reduced spare parts requirements, offset in part by higher per-litre cost of fuel; (c) communications ($436,200), owing to the extended utilization of existing equipment and lower spare parts requirements; (d) information technology ($211,100), due to the extended utilization of existing equipment and the reduced requirement for spare parts achieved by pooling of assets through the regional information technology initiative; and (e) special equipment ($120,900), due to the completion of the replacement of the binoculars and night vision devices in the 2011/12 period.

34. The above reductions in requirements are partially offset by increased requirements for facilities and infrastructure ($82,500, or 1.3 per cent), due mainly to the increase in the cost of fuel for generators from $0.63 per litre in the 2011/12 period to $0.85 projected in the 2012/13 period (see A/66/683 and Corr.1, para. 44), and for medical services, owing to the one-time increase in reimbursement rates for self-sustainment to troop-contributing countries approved under General Assembly resolution 65/292 (ibid., para. 47).

Ground transportation

35. From the supplementary information provided to it, the Advisory Committee notes that, for the 2012/13 period, during which 46 international personnel are proposed, it is planned that 24 light vehicles will be distributed among international staff. This remains significantly above the allocation which will derive from the application of the standard ratios established for peacekeeping operations. The Committee notes that the vehicle holdings of UNDOF in the proposed budget for 2012/13 exceed the standard ratios, and was informed, upon enquiry, that this was due to the need to issue vehicles to military contingents in UNDOF. The proposed budget reflects the reduction of the vehicle fleet by four light passenger vehicles in the 2012/13 period, equivalent to 2 per cent of vehicle holdings. The Committee was informed, upon enquiry, that the planned reduction has been delayed owing to the security situation in the mission area. **The Advisory Committee recognizes the need for mission personnel to have access to vehicles for the performance of their official duties. However, the Committee expects that UNDOF will further review vehicle utilization in the mission and make efforts to align its vehicle holdings with the standard ratios. The Committee requests that information in this regard be provided in the context of the budget proposal for the 2013/14 period, including, if applicable, justification for proposed holdings in excess of the standard ratios.** The Committee comments further on the issue of vehicle holdings in its cross-cutting report (A/66/718).

Information technology

36. From the supplementary information provided to it, the Advisory Committee notes that the provision for the acquisition of information technology equipment for the 2012/13 period reflects a reduction of $208,900, or 51.2 per cent, compared to the resources for the 2011/12 period. This is stated as being due to the extended utilization of existing equipment. The Committee further notes that current holdings of computers (desktop computers, laptops, and netbook computers) amount to 495 devices, including 200 devices which are used for such purposes as training; telephone billing; to provide Internet connectivity to contingents; programming of servers, radios, etc.; CarLog; or as spares. **While noting the reduction in the level of acquisition of information technology equipment, the Advisory Committee is of the view that the mission should further review its holdings of computers.** The Committee comments further on the issue of holdings of information technology equipment in its cross-cutting report (A/66/718).

Training

37. Provision is made of $321,300 for training activities during the 2012/13 period, consisting of $251,000 for training travel and $49,800 for training fees, supplies and services (A/66/683 and Corr.1, paras. 35-37). Paragraph 36 of the

report provides information on the planned number of participants for both internal and external courses as well as those to be carried out within UNDOF itself. The Advisory Committee notes that it is planned that international staff would participate in training courses outside the mission area on 44 occasions during the financial period. The Committee further notes from the information for the periods 2010/11, 2011/12 and 2012/13 that, on average, each of the mission's international staff would participate in external training approximately once per year. The Committee was informed that UNDOF had identified local contractors to provide training services in the mission area.

38. The Advisory Committee recalls paragraph 22 of General Assembly resolution 66/246, in which the Assembly stressed that the largest possible share of resources provided for training purposes should be directed towards the preparation and delivery of training and that ancillary costs, including associated travel, should be minimized. **The Advisory Committee reiterates its position that travel for training should be kept under close review and limited to the extent possible (see A/65/743, para. 135), and encourages UNDOF to continue to explore opportunities to provide training for staff within the mission area.** The Committee comments further on this issue in its cross-cutting report (A/66/718).

39. **The Advisory Committee recommends approval of the Secretary-General's proposals for operational costs.**

4. Other matters

Regional mission cooperation

40. Information on regional mission cooperation is presented in paragraphs 17 and 18 of the budget document (A/66/683 and Corr.1). It is indicated in the report that UNDOF will continue to foster close cooperation with the other field missions in the region, and that periodic meetings are planned with the United Nations Truce Supervision Organization (UNTSO), the United Nations Interim Force in Lebanon (UNIFIL), the United Nations Peacekeeping Force in Cyprus (UNFICYP) and the United Nations Assistance Mission for Iraq (UNAMI) office in Jordan.

41. In its previous report on the UNDOF budget, the Advisory Committee had provided comments on the regional communications and information technology initiative launched in July 2010 to strengthen and formalize regional coordination of information and communications technology services among UNIFIL, UNDOF, UNFICYP and UNTSO (A/65/743/Add.3, paras. 19-22). The Committee was informed, upon enquiry, that this initiative has placed the communications and information technology entities of the four missions under a regional and centralized management structure, and allowed the introduction of a platform of equipment common to all the missions in the region, which has resulted in a reduction in the requirement in the 2012/13 period for spare parts under information technology by the pooling of stocks (see A/66/683 and Corr.1, para. 46). In addition, during the 2012/13 period, UNDOF, UNTSO, UNIFIL and UNFICYP will undertake joint training programmes in the area of geographic information systems mapping and in information and communications technology services (ibid., para. 18). **The Advisory Committee continues to support the initiatives being undertaken towards greater regional cooperation between missions in the Middle East.** The Committee notes, in this context, that the proposed concept of a regional service centre to cover missions in the Middle East may have an impact on current

cooperation arrangements (see A/66/591, para. 84). The Committee's position on this issue is reflected in its cross-cutting report (A/66/718).

Efficiency gains

42. It is indicated in the report that efficiency gains will be achieved in the areas of spare parts utilization, fuel management, rations management, travel, maintenance supplies and the acquisition of communications and information technology equipment, vehicles and workshop equipment, yielding savings in the amount of $2,699,100 (see A/66/683 and Corr.1, para. 31). **The Advisory Committee expects that efficiency gains from this and other initiatives will be reflected in future budget submissions.**

Results-based budgeting frameworks

43. Regarding the results-based budgeting frameworks, the Advisory Committee was informed, upon enquiry, that the output for troop-manned observation post and position person-days under expected accomplishment 1.1 should total 21,900, rather than 23,360. The Committee was further informed that this miscalculation did not affect the requested level of budgetary resources. The Committee further notes that, in the same output, reference is made to a total of 29 observation posts and positions, while under expected accomplishment 2.1 reference is made to the provision of maintenance services to 22 positions and 8 outposts in the area of separation. The Committee was informed, upon enquiry, that the outputs under expected accomplishment 1.1 should refer to 30 such locations, rather than 29, as there are in fact 30 such locations in UNDOF. Subsequent to its enquiry, the Committee was informed that a corrigendum to the report would be issued in this regard.

V. Conclusion

44. The actions to be taken by the General Assembly in connection with the financing of UNDOF for the period from 1 July 2010 to 30 June 2011 are indicated in paragraph 32 of the performance report (A/66/556). **The Advisory Committee recommends that the unencumbered balance of $526,200 for the period from 1 July 2010 to 30 June 2011, as well as other income/adjustments in the amount of $689,800, for the period ended 30 June 2011, be credited to Member States.**

45. The actions to be taken by the General Assembly in connection with the financing of UNDOF for the period from 1 July 2012 to 30 June 2013 are indicated in paragraph 49 of the proposed budget (A/66/683 and Corr.1). **The Advisory Committee recommends that the General Assembly appropriate an amount of $45,499,800 for the maintenance of UNDOF for the 12-month period from 1 July 2012 to 30 June 2013, should the Security Council decide to extend the mandate of the mission beyond 30 June 2012.**

Documentation

- Budget performance of the United Nations Disengagement Observer Force in the period from 1 July 2010 to 30 June 2011 (A/66/556)
- Budget for the United Nations Disengagement Observer Force for the period from 1 July 2012 to 30 June 2013 (A/66/683 and Corr.1)
- Report of the Secretary-General on the United Nations Disengagement Observer Force for the period from 1 July to 31 December 2011 (S/2011/748)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance for the period from 1 July 2009 to 30 June 2010 and proposed budget for the period from 1 July 2011 to 30 June 2012 of the United Nations Disengagement Observer Force (A/65/743/Add.3)
- Financial report and audited financial statements for the 12-month period from 1 July 2010 to 30 June 2011 and report of the Board of Auditors on United Nations peacekeeping operations (A/66/5 (Vol.II))
- Security Council resolution 2028 (2011)
- General Assembly resolution 64/281 on the financing of the United Nations Disengagement Observer Force

Annex I

Current and projected expenditures of the United Nations Disengagement Observer Force for the period from 1 July 2011 to 30 June 2012

(Thousands of United States dollars)

	1 July 2011 to 29 February 2012			*Projected 1 March to 30 June 2012*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure 2011/12*	*Estimated unencumbered balance as at 30 June 2012*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Military and police personnel								
Military observers	—	—	—	—	—	—	—	
Military contingents	24 862.8	12 809.2	12 053.6	9 785.7	22 594.8	2 268.0	9.1	Reduced requirements resulting from fewer rotation trips and lower rations costs due to a reduction in the provision of composite ration packs from 15 days of supply to 10 days of supply.
United Nations police	—	—	—	—	—	—	—	
Formed police	—	—	—	—	—	—	—	
Subtotal	**24 862.8**	**12 809.2**	**12 053.6**	**9 785.7**	**22 594.8**	**2 268.0**	**9.1**	
Civilian personnel								
International staff	8 071.0	6 104.4	1 966.6	2 849.4	8 953.8	(882.8)	(10.9)	Additional requirements resulting from the payment of evacuation allowances to dependants of international staff as a result of the security situation.
National staff	3 567.4	2 191.2	1 376.2	1 237.3	3 428.5	138.9	3.9	Reduced requirements resulting from the appreciation of the value of the United States dollar against the Syrian pound.

		1 July 2011 to 29 February 2012		Projected 1 March to 30 June 2012				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure 2011/12*	*Estimated unencumbered balance as at 30 June 2012*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
United Nations Volunteers	—	—	—	—	—	—	—	
General temporary assistance	41.0	27.5	13.5	13.5	41.0	—	—	
Subtotal	**11 679.4**	**8 323.0**	**3 356.4**	**4 100.3**	**12 423.3**	**(743.9)**	**(6.4)**	
Operational costs								
Government-provided personnel	—	—	—	—	—	—	—	
Civilian electoral observers	—	—	—	—	—	—	—	
Consultants	20.5	1.9	—	18.6	20.5	—	—	
Official travel	458.8	164.0	294.8	294.8	458.8	—	—	
Facilities and infrastructure	6 198.0	4 256.2	1 941.8	2 995.8	7 252.0	(1 054.0)	(17.0)	Additional requirements resulting from an increase in the price of diesel fuel from the budgeted cost of $0.63 per litre to an average price of $0.79 per litre; connection to the local power grid in 4 additional positions and the construction of a sewage treatment plant in Camp Ziouani for which no budgetary provision was made.
Ground transportation	3 798.1	1 643.2	2 154.9	2 437.9	4 081.1	(283.0)	(7.5)	Additional requirements resulting from an increase in the price of diesel fuel from the budgeted cost of $0.63 per litre to an average price of $0.79 per litre.
Air transportation	—	—	—	—	—	—	—	
Naval transportation	—	—	—	—	—	—	—	
Communications	1 347.8	483.5	864.3	864.3	1 347.8	—	—	
Information technology	841.8	597.6	244.2	244.2	841.8	—	—	

	1 July 2011 to 29 February 2012			Projected 1 March to 30 June 2012				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure 2011/12*	*Estimated unencumbered balance as at 30 June 2012*	*Variance (percentage)*	*Reasons for variance*
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	
Medical	460.8	231.3	229.5	229.5	460.8	—	—	
Special equipment	258.6	59.8	198.8	198.8	258.6	—	—	
Other supplies, services and equipment	599.5	420.0	179.5	179.5	599.5	—	—	
Quick-impact projects	—	—	—	—	—	—	—	
Subtotal	**13 983.9**	**7 857.4**	**6 107.9**	**7 463.5**	**15 320.9**	**(1 337.0)**	**(9.6)**	
Gross requirements	**50 526.1**	**28 989.6**	**21 517.9**	**21 349.4**	**50 339.0**	**187.1**	**0.4**	
Staff assessment income	1 526.7	610.6	916.1	541.4	1 152.0	374.7	24.5	
Net requirements	**48 999.4**	**28 379.0**	**20 601.8**	**20 808.0**	**49 187.0**	**(187.6)**	**(0.4)**	
Voluntary contributions in kind (budgeted)	—	—	—	—	—	—	—	
Total requirements	**50 526.1**	**28 989.6**	**21 517.9**	**21 349.4**	**50 339.0**	**187.1**	**0.4**	

Annex II

Outline of the main objectives and deliverables of the UNDOF mission support plan, entitled "Future support to UNDOF — leaner, greener, regional and digital"

Phase 1 (1 January-30 June 2011). Integration of military and civilian support, integration and hardening of all facilities, roll-out of integrated information technology support, finalization of support command and control arrangements and deployment of crowd and riot control capability.

Phase 2 (1 July 2011-30 June 2012). Normalization of support levels to meet Department of Field Support standards; action to address dangerous compliance and obsolescence issues, action to ensure compliance with Department of Peacekeeping Operations and Department of Field Support standards, integration of civilian and military radio systems; trials of key modernization technologies, and co-location of administrative support offices; and enhancement of the operational mobility of the Force.

Phase 3 (1 July 2012-30 June 2013). Deployment of new capabilities; replacement of the finance management system; introduction of digital radios; introduction of efficient water and power technologies, initial replacement of obsolete support vehicle fleet; and trials of new surveillance equipment, and roll-out of a Regional Service Centre subject to Member States' approval.

Phase 4 (1 July 2013-30 June 2014). Optimization of inventory; introduction of cutting-edge equipment and facilities to enhance force capabilities and effect a 10 per cent reduction in inventory.

Phase 5 (1 July 2014-30 June 2015). Finalization of the project and realization of efficiency gains; and review of the force structure to optimize gains from enhanced support.